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TOBACCO Situation

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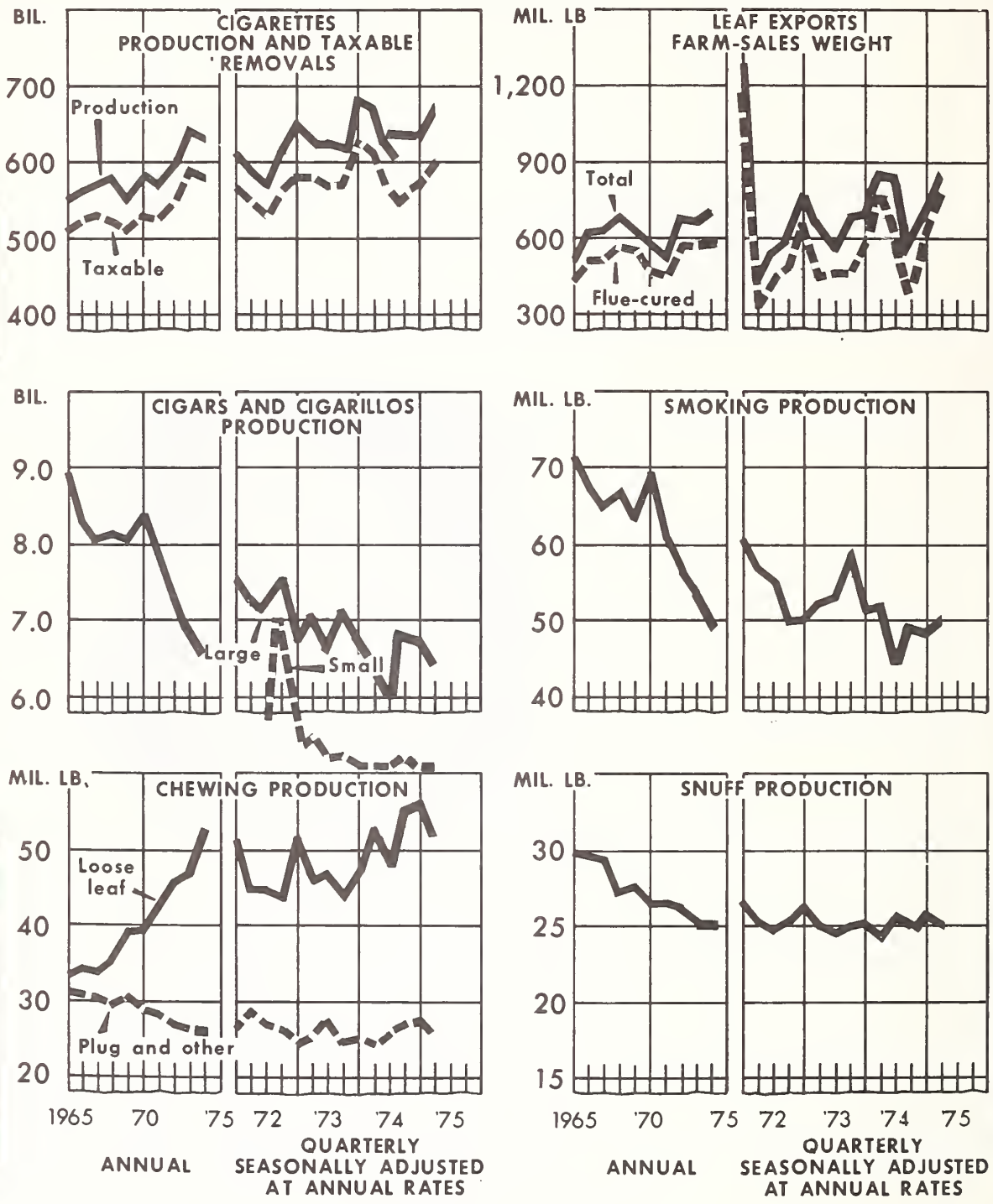
TOBACCO OUTLETS

Trends in Manufactured Products and Exports



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THE TOBACCO SITUATION

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Approved by
The Outlook and Situation Board
and Summary released
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The *Tobacco Situation* is published in March, June, September, and December.

SUMMARY

Total domestic use and exports of tobacco during 1974/75 is expected to exceed the 1974 crop, leaving carryover stocks a little below last season. Plans indicate a larger 1975 output about equaling next season's anticipated use.

U.S. tobacco growers plan to boost plantings 11 percent from the 962,000 acres harvested last year. An increase of 90,000 acres is in prospect for flue-cured. The basic quota is up 15 percent. Burley too may gain—some 17,000 acres due to a 10 percent boost in the basic quota and the large carryover quota from last year's below-quota production.

With average growing conditions, the prospective tobacco acreage indicates a crop around 2.1-2.3 billion pounds, about a tenth more than last year. The crop actually harvested can vary from this projection due to weather, economic conditions, and availability of production inputs. Even adding a smaller carryover, the tobacco supply could gain a little from that in 1974/75.

Based on the mandatory formula, the price support levels for eligible tobacco will be about 12 percent higher for 1975 than last year. As in previous seasons, growers must certify that they did not use DDT or TDE pesticides to be eligible for price support. Toxaphene and endrin are expected to be added to the certification requirements. Some modification may be made in how flue-cured growers designate the warehouses where they wish to obtain price support to further aid the orderly marketing of flue-cured tobacco.

Last year's output of cigarettes declined 1 percent to 635 million after a sharp rise in 1973. Filter-tip cigarette output continued to gain and its share rose to about 87 percent of the total.

U.S. smokers puffed a record 600 billion cigarettes in 1974 or 2 percent more than the previous year. Consumption per adult was maintained at 4,150 cigarettes (208 packs). For 1975 per capita use may be about the same again but increasing population will raise this year's total cigarette use.

Smoking tobacco and snuff will do well to maintain last year's low levels of use. However, chewing tobacco sales are gaining. Sales of cigars, both large and small may decrease again.

Domestic use of U.S.-grown tobacco during July-December 1974 was not as high as the trend in the

first half indicated. The total for the 1974/75 marketing year will be about 1.36 billion pounds, much the same as last year.

For the current fiscal year, ends June 30, 1975, unmanufactured tobacco exports may decline slightly. They totaled 431 million pounds (farm-sales weight), for July-January, 3 percent below a year earlier. Exports are expected to fall during the rest of the season due to reduced supplies and higher prices. Several Far East and Middle East countries took more tobacco but major EC destinations, including the United Kingdom and West Germany, took less U.S. tobacco than in July 1973-January 1974.

U.S. exports of unmanufactured tobacco and tobacco products gained 23 percent in value to a record of almost $1.2 billion in calendar 1974. Both volume and prices rose. Unmanufactured tobacco exports were worth $832 million and tobacco product exports reached $361 million. Export weight of unmanufactured tobacco totaled 651 million pounds (equivalent to 713 million pounds, farm-sales weight).

Unmanufactured tobacco imports for consumption increased 10 percent to 300 million pounds last year. The gain in flue-cured and burley leaf and scrap tobacco more than offset a slight decline in cigar leaf imports.

Flue-cured tobacco disappearance in the current marketing year may remain near the previous year's record high of 1.3 billion pounds. Domestic use is expected to be up some and exports will probably slip below last year's level. So while the 1974 crop was larger, carryover in mid-1975 may drop to around 1.54 billion pounds, slightly below a year earlier.

Flue-cured growers intend to set 15 percent more acres than last year. Allowing for net underquota marketings last season, the effective quota is up about 18 percent. Projecting average yields, production could turn out one-seventh larger than last year's 1.24 billion pounds. Despite smaller beginning stocks, next season's supply may rise slightly from this season's.

With larger domestic use, total disappearance of burley tobacco in 1974/75 may rise from last year's 619 million pounds. Despite unfavorable weather, larger acreage helped boost last year's production one-third from 1973's very short crop. But burley carryover for next October 1 probably will decline a little below the year-earlier level.

USDA set the 1975 burley marketing quota at 667 million pounds, 10 percent above last year. But the 1975 farm quota, reflecting 1974's large undermarketings, totals about 750 million pounds, 43 million above last season's effective quota and 141 million pounds more than last season's marketings. March 1 intentions indicate burley production may rise.

Increases in acreage are indicated for fire-cured, dark air-cured, and cigar binder tobaccos. Maryland and cigar filler and wrapper tobacco acreages may fall.

TOBACCO PRODUCTS

Cigarette Consumption Posts Another Increase

Despite a slower pace in July-December, domestic consumption and exports of U.S. cigarettes set new highs in 1974. Use is expected to again increase slightly this year, with a further rise in the smoking age population. Per capita use may change little.

Output last year fell slightly from 1973's record of 644 billion to 635 billion cigarettes because of manufacturers worked off inventories built up in 1973 (table 1). U.S. smokers (including those overseas) used 2 percent more cigarettes than the record set in 1973. Consumption per person, 18 and over, at 4,150 (208 packs of 20) remained the same as 1973 (table 4). That was about 4 percent below the 1963 peak of 4,345 (217 packs of 20). Anti-smoking efforts remained at a moderate pace in 1974.

U.S. exports of cigarettes in 1974 rose 13 percent to another record. The declared value rose to $301 million, up one-fifth, reflecting an increase in both unit value and quantity. Higher prices for U.S. type cigarettes have not blunted the rising demand overseas for U.S. cigarettes.

In March, the Federal Trade Commission submitted an annual report and recommendations to Congress as required by the Public Health Smoking Act of 1969. The FTC reviewed the effectiveness of cigarette labeling and current advertising and promotion practices. As of mid-March the 1975 report on the health aspects of smoking had not been issued by the Department of Health, Education, and Welfare.

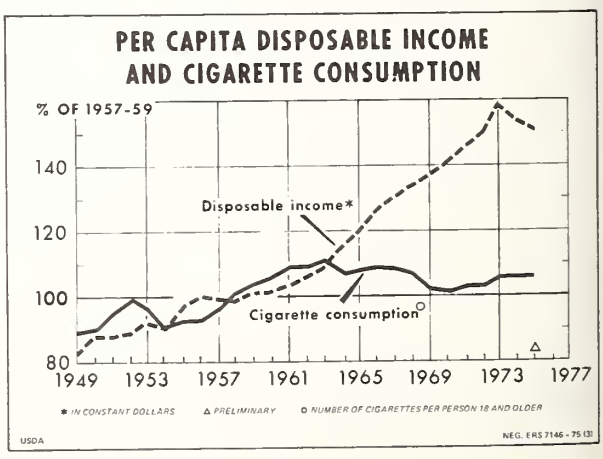


Table 1.--Cigarettes: Output, removals, and consumption, 1962-74

Year	Output	Removals				Total U.S. consumption 2/
		Taxable	Tax-exempt			
			Total	Exports	Puerto Rico and U.S. possessions	Overseas forces 1/	
	Billions					
1962	535.5	494.5	41.1	24.1	3.1	13.9	508.4
1963	550.6	509.6	41.1	23.6	3.2	14.3	523.9
1964	539.9	497.4	42.6	25.1	3.7	13.8	511.2
1965	556.8	511.5	44.2	23.1	3.9	17.2	528.7
1966	567.3	522.5	46.1	23.5	3.9	18.7	541.2
1967	576.2	527.8	49.0	23.7	3.9	21.4	549.2
1968	579.5	523.0	53.8	26.5	4.7	22.7	545.7
1969	557.6	510.5	47.1	25.0	3.7	18.4	528.9
1970	583.2	532.8	51.2	29.2	3.7	18.4	3/536.4
1971	576.4	528.9	49.2	31.8	2.7	14.7	3/550.0
1972	599.1	551.0	49.0	34.6	2.1	12.3	3/566.8
1973	644.2	590.3	55.9	41.5	2.0	12.4	3/589.7
1974 4/	635.0	576.2	59.2	46.9	1.9	10.4	3/600.0

1/ Also includes ship stores and small tax-exempt categories. 2/ Taxable removals plus overseas forces. 3/ Includes estimated inventory changes. 4/ Subject to revision.
Compiled from reports of the Bureau of Alcohol, Tobacco and Firearms, and the Bureau of the Census.

Table 2.--Cigars and smoking tobacco: Output, removals, and consumption, 1964-74

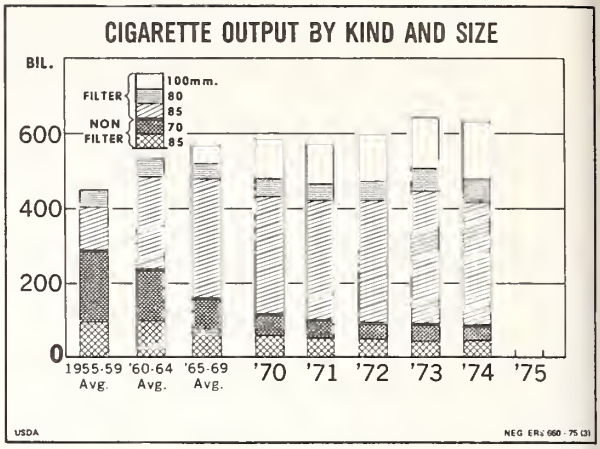
Year and item	United States factories			From Puerto Rico	Imports	Exports	Total U.S. consumption 1/
	Output	Removals					
		Taxable	Tax-exempt	taxable			
	Millions						
Large cigars 2/							
1964	8,736	8,122	193	809	28	44	9,108
1965	7,899	7,578	180	913	25	55	8,641
1966	7,165	7,076	193	1,075	25	73	8,296
1967	6,858	6,846	197	1,099	30	76	8,096
1968	7,184	6,759	169	1,036	48	66	7,946
1969	6,931	6,739	169	1,080	45	65	7,968
1970	7,094	6,706	152	1,259	46	54	8,108
1971	6,707	6,506	131	1,222	48	46	7,861
1972	6,025	5,896	139	1,272	62	75	7,294
1973	5,655	5,553	143	1,304	75	103	6,972
1974 3/	5,284	5,008	136	1,224	74	87	6,355
	Million pounds						
Smoking tobacco							
1964	82.4	79.0	3.4	---	2.7	1.4	83.7
1965	71.8	67.3	3.0	---	2.1	1.0	71.4
1966	67.3	65.3	1.5	---	3.3	.9	69.2
1967	64.8	62.7	2.0	---	3.7	1.3	67.1
1968	66.3	64.1	1.9	---	5.5	1.8	69.7
1969	63.9	62.6	1.6	---	5.7	1.1	68.8
1970	69.4	65.6	1.5	---	8.4	.9	74.6
1971	60.5	61.3	1.4	---	8.4	1.2	69.9
1972	55.9	55.1	1.3	---	11.9	1.1	67.2
1973	53.0	51.7	1.5	---	8.0	1.2	60.0
1974 3/	48.9	49.0	1.0	---	10.9	1.3	59.6

1/ Total removals (or sales) from U.S. factories plus those from Puerto Rico, and imports, minus exports. 2/ Includes cigarillos. 3/ Subject to revision.
Compiled from reports of the Bureau of Alcohol, Tobacco and Firearms, Bureau of the Census, and Agricultural Marketing Service, USDA.

Filters Continue Increasing

The annual ERS survey of cigarette manufacturers indicated that the share for filter-tip cigarettes rose further in 1974 to 87 percent of total cigarette production—up from 85 percent in 1973. The gain was largely in the 100 millimeter (mm.) size that made up 24 percent of 1974 total output (table 3).

Except for the 100 mm. and now the 120 mm. size, filter-type cigarettes have a shorter tobacco column than nonfilter cigarettes. Over the past several years the filter plugs were lengthened. Also, some brands have smaller diameters than formerly. On balance, these factors enable manufacturers to substantially reduce tobacco requirements per 1,000 cigarettes. Last year, U.S. cigarette manufacturers used an estimated 1.2 billion pounds of tobacco (unstemmed processing weight). This was about 2 percent below the previous year.



Manufacturers Raised Prices

Cigarette companies raised list prices in May and November last year and some cigarette prices had gone up earlier in January 1974. Yet the 5 percent increases in the average price of cigarettes last year was less than half the 11 percent rise for all consumer items.

Table 3—Cigarette output of filter-tip and nonfilter-tip by length, 1972-74[1]

Item	1972		1973		1974	
	Output	Percent of total	Output	Percent of total	Output	Percent of total
	Billions	*Percent*	*Billions*	*Percent*	*Billions*	*Percent*
Filter-tip						
Regular 70 mm.	0.6	.1	3.2	0.5	.1	---
Long 80 mm.	52.0	8.7	61.8	9.6	62.9	9.9
King 85 mm.	323.0	53.9	349.0	54.2	336.4	53.0
Extra long 100 mm.	126.0	21.0	136.0	21.1	151.1	23.8
Total	501.6	83.7	550.0	85.4	550.5	86.7
Nonfilter-tip						
Regular 70 mm.	44.8	7.5	42.8	6.6	39.0	6.1
King 85 mm.	52.6	8.8	51.4	8.0	45.5	7.2
Total	97.4	16.3	94.2	14.6	84.5	13.3
Grand total	599.0	100.0	644.2	100.0	635.0	100.0

[1] Cigarettes having other lengths were included in the most nearly comparable group.

Table 4—Consumption per capita of tobacco products in the United States (including overseas forces), 1965-1974

Year	Per capita 18 years and over				Per male 18 years and over			
	Cigarettes[1]		Snuff	All tobacco products[1]	Large cigars and cigarillos		Smoking tobacco[2]	Chewing tobacco[2]
	Number	*Pounds*	*Pounds*	*Pounds*	*Number*	*Pounds*	*Pounds*	*Pounds*
1965	4,258	9.37	.24	11.51	143.8	2.57	1.19	1.07
1966	4,287	9.08	.23	11.12	136.1	2.41	1.13	1.05
1967	4,280	8.86	.23	10.80	130.7	2.28	1.08	1.04
1968	4,186	8.69	.21	10.59	126.5	2.15	1.11	1.05
1969	3,993	8.11	.20	10.04	125.0	2.11	1.08	1.09
1970	3,985	7.77	.19	9.68	125.3	2.08	1.15	1.06
1971	4,037	7.75	.19	9.52	119.2	1.94	1.06	1.09
1972	4,043	7.95	.18	9.65	108.9	1.74	1.00	1.08
1973	4,147	7.92	.18	9.53	102.4	1.61	.88	1.10
1974[3]	4,150	7.80	.18	9.34	91.9	1.47	.88	1.13

[1] Unstemmed processing weight. [2] Finished product weight. [3] Subject to revision.

Table 5.--Wholesale cigarette price revisions, 1940 to date 1/

Approximate date of change	Net price per 1,000				Net price per 1,000 excluding Federal excise tax			
	Standard	King size	Filter tips	100 millimeter	Standard	King size	Filter tips	100 millimeter
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
July 1, 1940	5.88	--	--	--	2.63	--	--	--
November 1, 1942	6.13	--	--	--	2.63	--	--	--
April 25, 1946	6.38	--	--	--	2.88	--	--	--
October 7, 1946	6.64	--	--	--	3.14	--	--	--
July 22, 1948	7.00	--	--	--	3.50	--	--	--
July 29, 1950	7.20	7.24	--	--	3.70	3.74	--	--
November 1, 1951	7.71	7.75	--	--	3.71	3.75	--	--
February 26, 1953	8.10	8.19-8.40	--	--	4.10	4.19-4.40	--	--
March 1953	--	--	9.00	--	--	--	5.00	--
April 15, 1955	--	8.55	--	--	--	4.55	--	--
June 17, 1957	8.45	8.89	--	--	4.45	4.89	--	--
April and May 1963	8.80	9.00	--	--	4.80	5.00	--	--
March 1966	9.00	9.20	9.20	--	5.00	5.20	5.20	5.20
June 1967	9.25	9.45	9.45	9.95	5.25	5.45	5.45	5.95
November 1968	9.45	9.45	9.45	9.95	5.45	5.45	5.45	5.95
May 1969	9.80	9.80	9.80	10.30	5.80	5.80	5.80	6.30
May 1970	10.25	10.25	10.25	10.75	6.25	6.25	6.25	6.75
February-March 1973	(10.45-10.60)	(10.45-10.60)	(10.45-10.60)	(10.95-11.10)	(6.45-6.60)	(6.45-6.60)	(6.45-6.60)	(6.95-7.10)
January 1974	10.60	10.60	10.60	11.10	6.60	6.60	6.60	7.10
May 1974	11.30	11.30	11.30	11.80	7.30	7.30	7.30	7.80
November 1974	(11.80-12.00)	(11.80-12.00)	(11.80-12.00)	(12.30-12.50)	(7.80-8.00)	(7.80-8.00)	(7.80-8.00)	(8.00-8.50)

1/ Includes leading brands. A 2 percent discount is made for cash payment.

Cigarette Tax Rates Stable

Only four States raised cigarettes taxes in the past 2 years. Sixteen States raised taxes in 1972 alone. State cigarette tax rates (weighted by number of packs taxed) averaged about 12 cents per pack in December 1974, about the same as a year earlier. Excise tax increases are proposed this year in a few States. Nevertheless, some States propose lowering taxes on cigarettes. The Federal excise tax has been 8 cents a pack since 1951, but increases are proposed this year. In addition, many local governments tax cigarettes (table 5).

U.S. cigarette exports to leading destinations, 1972-1974

Country	1972	1973	1974[1]
	Millions	*Millions*	*Millions*
Hong Kong	4,320	4,845	5,154
Belgium-Luxembourg	2,984	3,808	4,846
Spain	2,776	3,313	2,404
Netherlands Antilles	1,924	1,935	2,460
Lebanon	1,901	2,273	2,275
Saudi Arabia	1,744	1,945	2,072
Panama	1,637	1,612	1,193
Ecuador	1,406	1,644	1,970
Kuwait	1,397	1,848	2,282
Switzerland	1,118	668	483
Japan	1,051	1,815	3,091
Other Countries	12,344	15,837	18,641
Total	34,602	41,543	46,901

[1] Subject to revision.

Compiled from publications and records of the Bureau of the Census.

Cigar Consumption Fell Further in 1974

Consumption of *large cigars* (including cigarillos) continued to decline in the fourth quarter of 1974. Last year, U.S. smokers (including those overseas) consumed about 6.4 billion cigars, 9 percent less than in 1973. The trend has been downward since 1964 (table 2). The BLS index of retail cigar prices rose 6 percent last year. The consistent decline in cigar consumption suggests use this year will be below last year.

Last year's decline in consumption was concentrated in lower priced cigars and cigarillos (retailing up to 8 cents each). Smoking of medium prices cigars decreased moderately. However, sales of the higher prices cigars continued the sharp upward trend of recent years.

Large cigars: Taxable removals by revenue class, 1973-74

Revenue class and retail price	1973	1974	Change from 1973
	Billions	*Billions*	*Percent*
A-D (up to 8 cents)	4.50	3.44	-15.6
E (over 8 to 15 cents)	2.21	2.93	-12.6
F-G (over 15 cents)	.61	.90	+48.4
Total removals	6.89	6.27	-9.0

Production of *small cigars* (not over 3 pounds per 1,000) declined to 3.2 billion pieces in 1974. The total was 26 percent below the 1973 record. But monthly output has been trending downward ever since the heavy volume of the fourth quarter 1972. By the fourth quarter of 1974, output had slipped below a 3 billion annual rate. In the absence of broadcast advertising, sales of small cigars have declined.

Smoking Tobacco Output and Use Fell

Smoking tobacco production last year totaled 49 million pounds, 8 percent below 1973. Sales of both pipe and roll-your-own tobacco declined (table 7). Last year's estimated U.S. consumption of smoking tobacco—domestic sales plus imports—amounted to 59.6 million pounds, 1 percent below 1973. Domestic

Table 6—Tobacco demand factors, 1965-74

Year	Population July 1[1]	Disposable personal income, per capita[2]		Consumer price indexes				
		Current prices	1958 prices	All items	Tobacco products	Cigarettes: Nonfilter tip, regular	Cigarettes: Filtertip, king size	Cigars, regular size
	Million	*Dollars*	*Dollars*	*1967=100*	*1967=100*	*1967=100*	*1967=100*	*1967=100*
1965	124.2	2,436	2,239	94.5	91.8	91.1	91.7	97.2
1966	126.3	2,604	2,335	97.2	96.3	96.0	96.3	98.6
1967	128.3	2,749	2,403	100.0	100.0	100.0	100.0	100.0
1968	130.4	2,945	2,486	104.2	106.3	106.9	106.4	101.3
1969	132.5	3,130	2,534	109.8	111.9	112.7	112.3	104.3
1970	135.1	3,376	2,610	116.3	122.2	122.4	122.5	105.4
1971	137.5	3,605	2,683	121.3	126.4	127.9	128.1	107.1
1972	139.8	3,843	2,779	125.3	133.4	134.8	135.4	110.8
1973	142.2	4,295	2,945	133.1	137.0	138.7	139.1	112.9
1974[3]	144.6	4,623	2,846	147.7	143.8	145.5	145.9	119.5

[1] 18 years and older including armed forces overseas. [2] Based on total population. [3] Subject to revisions.

Table 7—Smoking tobacco: Production and manufacturers' sales by category, 1973-74

Category	Manufactured		Invoiced					
	1973	1974	To domestic customers		For export[1]		Total	
			1973	1974	1973	1974[1]	1973	1974
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
Pipe	44.4	41.9	43.4	41.6	1.5	1.0	44.9	42.6
Granulated or sack	.6	.6	.6	.5	(2)	(2)	.6	.5
Cigarette cut	8.0	6.4	7.7	6.9	(2)	(2)	7.7	6.9
Total	53.0	48.9	51.7	49.0	1.5	1.0	53.2	50.0

[1] Sales for overseas shipment (to foreign markets and overseas forces). [2] Negligible.

factories sold 5 percent less. This year's sales will do well to hold their own.

Based on factory shipments of cigarette papers (and allowing for probable wastage), the number of roll-your-own cigarettes smoked in 1974 declined 1 billion from 1973. Roll-your-own took an estimated 15 million pounds of smoking tobacco in 1974, about 25 percent of U.S. smoking tobacco consumption. Besides cigarette cut and granulated or sack tobacco, a portion of manufacturers' pipe tobacco sales was used in roll-your-own cigarettes (table 8).

Manufactured tobacco imports (mostly smoking tobacco) increased 3 million pounds to 11 million pounds in 1974. Value was $17 million. Sweden and the Netherlands are the principal sources.

Smokeless Tobacco Output Gains

Manufacturers recorded a large gain in last year's production of chewing tobacco to 79 million pounds, 7 percent above 1973. Of the two principal chewing tobacco categories, loose leaf output increased while plug declined.

Tobacco products: Output 1972-74

Item	1972	1973	1974[1]
	Million pounds	*Million pounds*	*Million pounds*
Chewing tobacco			
Plug	19.6	18.6	18.0
Twist	2.2	2.2	2.2
Fine cut	5.2	5.7	6.2
Loose leaf	45.6	47.6	52.9
Total	72.6	74.0	79.2
Snuff	25.5	25.3	25.0
Smoking tobacco in bulk (exports)	29.4	25.9	38.5
Small cigars	4,022	4,415	3,101

[1] Subject to revision.

Basic data compiled from reports of Bureau of Alcohol, Tobacco and Firearms, and Agricultural Marketing Service, USDA.

Manufacturers sell virtually all their chewing tobacco domestically. Sales last year increased 5 percent and were the highest in 20 years. The gain

Table 8—Estimated number of roll-your-own cigarettes smoked and smoking tobacco consumed, 1968-74

Year	Roll-your-own cigarettes[1]	Smoking tobacco consumption				
		Total[2]	Used for—			
			Roll-your-own cigarettes		Pipe tobacco	
			Quantity	Percent of total	Quantity	Percent of total
	Billion pounds	*Million pounds*	*Million pounds*	*Percent*	*Million pounds*	*Percent*
1968	9.2	70	17	24	53	76
1969	10.4	69	19	27	50	73
1970	13.2	75	24	32	51	68
1971	12.0	70	22	31	48	69
1972	8.7	67	16	23	51	77
1973	9.8	60	18	29	42	71
1974[3]	8.5	61	15	25	46	75

[1] Derived from shipments of cigarette papers and tubes. [2] Includes imported tobacco. [3] Preliminary.

Data for 1970-73 are revised.

was primarily in loose leaf. Plug and twist sales continued to decline.

Snuff sales and production during 1974 edged below the 1973 level.

Bulk Smoking Tobacco Exports Rise

Exports of bulk smoking tobacco in 1974 were 38.5 million pounds, 7.6 million pounds over the 1971 record. Volume was up 49 percent and value 61 percent over low 1973 totals. Total value was $53.4 million last year. This export category includes specially prepared cigarette leaf and cut or shredded tobacco from U.S. and foreign sources. It also includes processed sheet, blended strips, or stemmed tobacco consisting of more than one kind-principally blended flue-cured and burley.

U.S. manufacturers ship this tobacco abroad to affiliates, licensees, and marketing companies Sales of American type blended cigarettes have gained at a higher rate than cigarette sales generally. As sales have risen, many firms have added leaf processing and blending capacity overseas.

U.S. bulk smoking tobacco exports to leading, destinations, 1972-74

Country	1972	1973	1974[1]
	Million pounds	*Million pounds*	*Million pounds*
Canary Islands	0	0	4.3
Italy	0.8	1.0	2.2
Dominican Republic	2.4	1.3	2.0
Switzerland	5.9	2.1	12.7
Netherlands	9.3	9.7	3.2
Spain	2.2	1.8	2.4
Peru	.7	.9	.5
Ecuador	1.1	.8	1.3
Finland	1.4	2.1	2.8
Australia	1.1	1.0	1.6
Other countries	4.5	5.2	5.3
Total	29.4	25.9	38.5

[1] Subject to revision. [2] Less than 50,000 pounds.

Compiled from publications and records of the Bureau of the Census.

U.S. EXPORTS AND IMPORTS

The United States is the world's leading tobacco exporter and the third largest tobacco importer. Recently our exports have represented about one-third of the U.S. tobacco crop and about 25 percent of world tobacco exports. U.S. exports of tobacco and products were valued at a record $1,193 million in calendar year 1974, $223 million over the previous record in 1973. This includes unmanufactured tobacco worth $832 million and tobacco products of $361 million. When value of imports for consumption are deducted, the surplus in value of U.S. tobacco exports over imports increased to almost $1 billion. Thus tobacco significantly contributed toward relieving some of the pressure on the overall U.S. balance of payments problem.

Leaf Tobacco Exports Remain Large

U.S. exports of unmanufactured tobacco in 1974 gained 6 percent to 651 million pounds (export weight), only 12 million pounds under the 1946 record. Last year's exports were 713 million pounds in farm-sales weight.

Exports of both burley leaf and stems set a record. Exports of flue-cured, Maryland, fire-cured, dark air-cured, and cigar tobaccos also were above the levels of 1973 (table 9).

Last year only 6 million pounds of tobacco were bartered for materials and services used by U.S. agencies overseas (table 10). The Commodity Credit Corporation (CCC) provided credit on 28 million pounds of commercial exports. Financing was authorized up to 36 months.

For the year ending June 30, 1975, U.S. exports of unmanufactured tobacco may not reach the high level of 657 million pounds shipped in 1973/74, but the value is expected to rise. July 1974-January 1975 exports of 395 million pounds (export weight) were down 3 percent and exports for the rest of the fiscal year are expected to decrease from the high rate of last year. Higher U.S. prices and tighter supplies plus some improvement in the overseas supply situation are factors here.

Japan Takes Export Lead

Following several years of rapid gains in takings of U.S. leaf, Japan became the leading export market for U.S. tobacco last year. Japan took 39 percent more than in 1973 as that country's cigarette production continued to increase but its domestic tobacco production kept on declining. The United Kingdom lost the top spot with exports to that market down 21 percent from 1973. West Germany retained second place.

Increases in U.K. taxes on imported leaf were largely responsible for the decline in takings by that market. With the Economic Community (EC) enlargement effective in 1973, U.K. manufacturers have preferential access to large supplies from the former overseas territories of EC countries. Lower cost imports increased from Commonwealth countries. Despite the slowdown in EC takings, boosts by countries in Southeast Asia and the Middle East helped raise the total. The EC countries' Common Agricultural Policy (CAP) provides incentives for manufacturers to use locally produced

Table 9.--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

(Declared weight)

Country and type	Average 1966-70	1971	1972	1973	1974 1/	1974 as a percentage of 1973 2/
	Million pounds					Percent
Flue-cured	418.3	341.8	425.3	418.4	440.9	105
Burley	45.4	36.5	53.7	58.9	60.8	103
Maryland	12.3	9.0	11.0	9.6	10.9	113
Fire-cured, Ky. and Tenn.	20.0	19.6	20.6	18.4	19.4	105
Virginia fire- and sun-cured	5.0	2.9	5.0	3.0	3.9	129
Green River and One Sucker	1.2	1.0	.6	.4	1.0	227
Black Fat	2.8	2.5	3.3	3.1	2.7	90
Cigar wrapper	3.3	2.5	3.1	2.1	2.9	136
Cigar binder	1.4	.1	.1	.1	.1	125
Cigar filler	.9	.3	.3	.3	.6	94
Perique	.2	.1	.3	.2	.2	85
Stems, trimmings, and scrap	51.0	57.0	82.9	98.0	105.9	108
Total	561.9	473.3	606.1	612.5	651.4	106
Country of destination						
United Kingdom	128.8	89.8	115.1	119.7	94.3	79
France	7.9	10.1	7.7	6.6	8.2	124
Belgium-Luxembourg	17.0	15.6	12.9	16.7	14.4	86
Netherlands	34.7	28.1	22.4	31.6	31.0	98
West Germany	99.3	100.0	99.3	99.3	97.1	98
Denmark	18.1	16.7	20.8	37.0	12.6	34
Ireland	12.7	9.0	14.3	8.9	10.2	115
Switzerland	22.8	18.2	23.5	31.4	21.3	68
Finland	5.4	4.8	5.3	6.1	4.0	66
Norway	8.5	4.3	7.0	5.7	5.4	95
Sweden	18.5	14.7	20.5	17.1	14.5	85
Italy	7.7	16.4	23.1	21.8	24.3	111
Spain	4.3	5.2	4.6	4.3	8.0	186
Thailand	22.8	18.9	30.5	8.6	20.6	239
South Vietnam	11.5	17.2	18.9	14.6	13.7	93
Malaysia	10.1	11.0	8.4	8.0	11.9	149
Philippines	7.0	4.7	9.5	8.8	11.3	128
Taiwan	7.3	9.6	14.2	16.7	23.8	143
Japan	43.5	18.6	87.3	79.0	109.6	139
Australia	16.0	10.9	14.8	13.9	18.7	134
New Zealand	4.5	3.8	4.4	5.3	4.8	91
Egypt	3.4	1.2	.9	2.4	12.3	523
Libya	1.6	3.2	1.0	2.9	12.8	448
Other countries	48.5	41.3	39.8	46.1	66.7	145
Total	561.9	473.3	606.1	612.5	651.4	106

1/ Subject to revision.
2/ Computed from unrounded data.
Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.

Table 10.--Exports of unmanufactured tobacco under Government financed programs and commercial sales, 1955-59 average, 1960-74 annual

Calendar year	Government financed exports				Commercial exports				Total unmanufactured tobacco exports
	Title I, P.L. 480		Mutual Security and A.I.D.	Total	Barter 1/	Dollar sales		Total	
	Foreign currency sales	Long-term dollar credit sales				CCC short term credit	Other		
	Quantity (export weight)								
	Million pounds								
Average: 1955-59	49.0	---	2.9	51.9	4.0	---	443.9	447.9	499.8
1960	31.2	---	22.8	54.0	27.3	---	414.8	442.1	496.1
1961	26.0	---	20.5	46.5	61.3	---	393.2	454.5	501.0
1962	28.5	0.4	.4	29.3	50.3	---	389.3	439.6	468.0
1963	35.6	3.4	---	39.0	14.9	1.0	450.6	466.5	505.5
1964	37.9	3.5	4.3	45.7	19.5	---	449.3	468.8	514.5
1965	29.7	2.9	1.7	34.3	54.9	.3	378.6	433.8	468.1
1966	25.8	1.0	4.3	31.1	86.0	15.8	418.3	520.1	551.2
1967	17.4	5.9	2.5	25.8	91.4	10.8	444.3	546.5	572.3
1968	20.1	12.1	.3	32.5	92.7	13.5	460.1	566.3	598.8
1969	16.5	15.2	---	31.7	117.2	35.8	392.8	545.8	577.5
1970	12.6	10.4	---	23.0	122.8	58.6	306.0	487.4	510.4
1971	19.3	1.2	---	20.5	143.0	51.3	258.5	452.8	473.3
1972	24.4	2.6	---	27.0	207.4	40.0	331.7	579.1	606.1
1973	21.3	.7	---	22.0	119.4	11.3	459.8	590.5	612.5
1974 2/	21.7	7.5	---	29.2	5.9	28.2	588.1	622.2	651.4
	Value								
	Million dollars								
Average: 1955-59	35.3	---	1.6	36.9	2.3	---	310.7	313.0	349.9
1960	22.0	---	17.8	39.8	21.0	---	318.5	339.5	379.3
1961	20.4	---	16.5	36.9	35.2	---	318.8	354.0	390.9
1962	22.2	0.6	.3	23.1	31.1	---	319.2	350.3	373.4
1963	25.1	2.9	---	28.0	9.1	0.7	365.3	375.1	403.1
1964	24.3	3.7	2.8	30.8	11.9	---	370.2	382.1	412.9
1965	19.4	2.5	1.4	23.3	38.8	.2	320.4	359.4	382.7
1966	19.2	.8	3.8	23.8	65.7	14.0	378.0	457.7	481.5
1967	15.2	4.5	2.0	21.7	79.9	9.4	387.3	476.6	498.3
1968	17.3	10.2	.3	27.8	92.4	11.7	392.5	496.6	524.4
1969	14.9	13.6	---	28.5	121.6	36.1	353.5	511.2	539.7
1970	13.1	8.8	---	21.9	130.2	63.4	273.0	466.6	488.5
1971	19.0	1.4	---	20.4	155.3	54.6	231.7	441.6	462.0
1972	25.3	3.0	---	28.3	243.3	42.5	324.7	610.5	638.8
1973	24.3	.7	---	25.0	144.4	12.1	499.3	655.8	680.8
1974 2/	27.4	9.5	---	36.9	6.8	40.4	748.0	795.2	832.1

1/ Government-financed for strategic materials, 1958-62.
2/ Subject to revision.

Tobacco: Government program exports to leading destinations, fiscal years 1973-74[1]

Country	1973	1974[1]
	Million pounds	*Million pounds*
	Foreign currency sales	
South Vietnam	15.2	13.4
Thailand	4.7	4.7
Cambodia	1.4	1.6
Philippines	-	1.9
	Dollar credit	
Egypt	-	7.5
Israel	.4	-
	Barter	
Denmark	20.0	.2
Taiwan	15.6	(2)
West Germany	15.1	-
United Kingdom	14.1	-
Japan	11.8	-
Thailand	3.9	2.5
Malaysia	3.9	-
Norway	4.7	2.1
Finland	4.0	(2)
Spain	4.4	.6
	CCC credit sales	
United Kingdom	-	15.7
Egypt	.4	3.1
Malaysia	-	2.1
Australia	-	1.8
Zaire	1.2	1.6
Ireland	3.7	-
Philippines	2.7	-

[1] Subject to revision. [2] Less than 50,000 pounds.

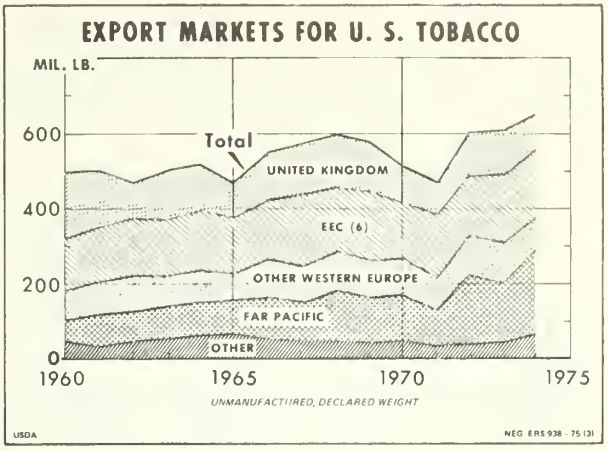
tobacco. Despite gains in the EC's cigarette production, exports of U.S. leaf to the Community declined last year. EC tobacco policy discouraged use of higher value U.S. leaf. U.S. shipments to Belgium, for example, were down 14 percent. Denmark took more than usual in 1973 ahead of EC tax changes.

Sharp increases in exports were made to Spain and Libya. Other major markets for the United States such as Australia, Taiwan, Thailand, and the Philippine Republic increased takings. Egypt also resumed large purchases after years of nominal shipments.

Flue-cured exports made up seven-tenths of the total. These exports increased 5 percent. Some major destinations that took more were Japan, Australia, Thailand, and Taiwan.

The 3-percent gain in burley exports reflected rising output of U.S. type cigarettes outside the EC. Japan, Philippines, Thailand, Sweden, and Switzerland also took more burley than a year earlier. However, shipments to the EC were down 12 percent. The EC usually takes around a half of our exports. Maryland tobacco increased after a decline in 1973. Takings by Switzerland, the major market, increased 9 percent.

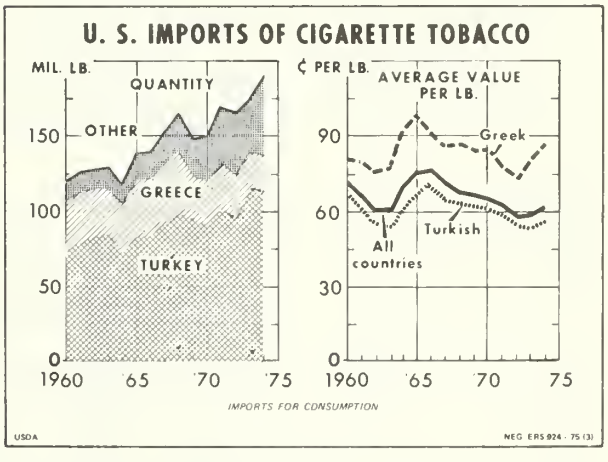
U.S. tobacco markets under government-financed programs (Public Law 480) totaled 29 million pounds



in 1974, up 7 million pounds. One-half of the exports went to South Vietnam for foreign currency. A fourth of the sales were for long-term dollar credits.

Imports Gain

Imports of unmanufactured tobacco for consumption (withdrawals from bond and duty-paid releases for manufacture immediately upon arrival) surpassed 1973's record. The total of 300 million pounds was up 10 percent over 1973 (table 11). Among major classes, cigarette and cigar scrap accounted for most of the gain, but cigarette leaf was also up. Flue-cured and burley leaf were up 16 million pounds (from 6 million) or about two-thirds of the total increase.



Cigarette leaf imports set a record. Carrying an average value of 63 cents per pound, this category is mostly Oriental tobacco. Turkey, Greece, and Yugoslavia are principal suppliers. The gain in 1974 was mostly in flue-cured and burley leaf imports. The Philippines accounted for most of the gain in scrap. Last year's imports accounted for about one-sixth of the tobacco used in U.S. cigarette production. A similar high proportion is likely this year.

General imports of tobacco (i.e., direct entries plus placements in bonded warehouses for later factory

Table 11.--U.S. imports of unmanufactured tobacco for consumption and general, principal categories, and countries of origin, 1972-74

(Declared weight)

Classification and country of origin	Imports for consumption				General imports (arrivals)			
	1972	1973	1974 1/	1974 as a percentage of 1973	1972	1973	1974 1/	1974 as a percentage of 1973
	-- Million pounds --			Percent	-- Million pounds --			Percent
Cigarette tobacco:								
Leaf, unstemmed								
Oriental								
Turkey	95.7	114.9	112.4	98	135.1	123.1	93.9	76
Greece	29.4	24.8	24.2	98	28.9	12.1	15.6	129
Yugoslavia	15.1	15.6	16.5	106	9.3	13.4	15.7	117
Lebanon	10.2	8.9	8.9	100	8.7	13.5	7.0	52
Other countries	6.9	3.7	3.9	105	13.5	19.1	30.2	158
Flue-cured and burley	6.7	6.2	22.1	356	32.4	38.8	52.9	136
Subtotal	164.0	174.1	188.0	108	227.9	220.0	215.3	98
Scrap								
Turkey	10.6	7.2	6.7	93	10.9	6.1	7.7	126
Other countries 2/	6.7	17.0	28.2	166	9.1	18.2	33.1	182
Total	181.3	198.3	222.9	112	247.9	244.3	256.1	105
Cigar tobacco:								
Wrapper	.9	1.1	1.2	109	1.7	1.6	2.2	138
Filler--stemmed and unstemmed								
Dominican Republic	2.0	2.1	2.1	100	15.1	11.4	11.3	99
Other countries	8.8	9.0	8.8	98	34.2	39.6	31.5	79
Subtotal	10.8	11.1	10.9	98	49.3	51.0	42.8	84
Scrap								
Philippine Republic	18.3	14.5	24.2	167	14.2	14.0	16.6	119
Colombia	5.8	6.7	3.6	54	2.4	3.5	3.0	86
Dominican Republic	6.1	8.0	6.7	84	1.9	2.4	2.0	83
Brazil	6.0	10.8	9.8	91	1.5	6.3	3.1	49
Other countries	7.5	14.0	16.6	119	11.4	16.9	19.8	117
Subtotal	43.7	54.0	60.9	113	31.4	43.1	44.5	103
Total	55.4	66.2	73.0	110	82.4	95.7	89.5	94
Stems	3.7	9.0	4.0	44	2.0	6.8	4.0	59
Grand total	240.5	273.6	299.9	110	332.2	346.8	349.6	101

1/ Preliminary.
2/ Canada, Mexico, Yugoslavia, Greece, Cyprus, Syria, Lebanon, India, Thailand, Korea, Angola, Mozambique, Zambia, Malawi.
Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.

use) did not change substantially. Cigarette scrap was up while cigar tobacco declined. The increase in flue-cured and burley leaf was offset by a decline in Oriental leaf from Turkey.

Since tobacco arrivals exceeded factory use, stocks of imported tobacco in the United States on January 1, 1975, were up. The gain for cigarette tobacco was 105 million pounds or nearly one-fourth above a year earlier. Most of the rise was in burley leaf, although flue-cured and Oriental leaf were also up.

TOBACCO LEAF SITUATION AND OUTLOOK[1]

HIGHLIGHTS

Despite a larger crop, smaller carryover limited the supply of domestic leaf tobacco in 1974/75 to less than 5 billion pounds or 2 percent below that of the previous year. By January 1, nonfarm leaf stocks declined 2 percent below a year earlier. By mid-1975, at the end of the current marketing year, above-average export levels and record cigarette sales should further reduce stocks by about 2 percent from the beginning 2.95 billion pounds. With larger quotas this year, farmers will increase acreage and may produce the largest crop since 1964.

Prospective Acreage Up

Following a year of increased production, tobacco growers plan to set 11 percent more acreage, according to the March intentions report of SRS. Prospects are for a 15 percent increase in flue-cured acreage and 7 percent in burley. Effective farm quotas are up for both types, due to both larger basic quotas and carryover of net undermarketings. A decline in acreage is in prospect for Maryland. Growers of fire-cured, dark air-cured, and cigar binder types may set more acreage (table 12).

All tobacco types except Maryland, Pennsylvania filler, shade-grown cigar wrapper, and perique are under quotas. Acreage allotments are about the same as last year for Virginia and Kentucky-Tennessee fire-cured, sun-cured, dark air-cured, and cigar filler and binder (types 42-44 and 53-55).

Production for all types of U.S. and Puerto Rican tobacco based upon this year's intended acreage would total 2.1 to 2.3 billion pounds. That would be the largest crop since 1964, and one-tenth more than last year. This level could be achieved with average weather, provided sufficient supplies of fuel and fertilizer are available. The prospective crop added to the tentative carryover indicates a 1975/76 supply a little larger than this year's level.

Production Costs Higher[2]

For the 1975 crop year, tobacco production costs will again increase. The price of fertilizer is up from the 1974 level by approximately 45 percent. Herbicides, insecticides, and other chemicals, most of which have held relatively steady for the last 2-3 years, have higher price tags. Machinery and curing equipment prices also have increased. Presently fuel costs are at, or in some instances are slightly below, last year's levels. However, the outlook for fuel prices for the growing and harvest season is uncertain.

With an increase in 1975 wage rates similar to the increases since 1972, and with the higher prices of other inputs previously mentioned, the 1975 tobacco crop will probably cost a minimum of 5 to 6 cents per

[1]All quantities in this section are farm-sales weight equivalent unless otherwise noted.

[2]Contributed by William D. Givan, Agricultural Economist, Commodity Economics Division, Athens, Georgia.

Table 12—U.S. tobacco: Acreage and production, 1973-75

Type	Acreage				Production			
	1973	1974	1975	Change from 1974	1973	1974[2]	1975[3]	Change from 1974
	1,000 acres	*1,000 acres*	*1,000 acres*	*Percent*	*Million pounds*	*Million pounds*	*Million pounds*	*Percent*
Flue-cured								
11-Old and Middle Belt, VA.-N.C.	209.0	215.0	246.0	14	395	387	440	14
12-Eastern N.C.	180.0	188.0	224.0	19	406	397	480	21
13-S.C.-Border N.C.	114.0	130.0	150.0	15	237	274	310	13
14-Georgia-Florida	72.1	84.3	87.2	3	119	187	170	-10
Total, types 11-14	575.1	617.3	707.2	15	1,157	1,245	1,400	12
Burley, type 31	222.1	258.8	276.6	7	450	608	660	8
Southern Maryland, type 32	25.0	24.0	23.0	-4	32	29	26	-10
Total, all types 11-72	886.6	961.8	1,070.0	11	1,742	1,986	2,200	11

[1] March 1 intentions. [2] Sales data where available. [3] Based on average yield adjusted for trend.

pound more to produce than in 1974. Once the crop year progresses, and some other unknowns come to be fact, a better cost estimate can be made.

1975 Price Support Program

The 1975 price support program for tobacco is expected to be similar to the one in effect for many years. Price support will be made available to eligible producers through nonrecourse loans to producer associations. To receive price support, tobacco producers must certify that they did not use DDT, TDE, toxaphene, and endrin insecticides. Last year for the first time as a condition for price support for flue-cured tobacco, USDA required growers to designate a warehouse where they intended to sell their tobacco. Further changes are proposed, primarily relating to redesignation during the auction season.

Support prices are up about 12 percent over 1974 as required by law. This increase reflects higher prices for goods and services bought by farmers during the past 3 calendar years (1972-74), compared with 1959 average prices paid by farmers. Hearings were held by the Senate Committee on Agriculture and Forestry in February on a bill to change the support formula to 75 percent of parity.

Computations of price support level adjustment factor for tobacco, 1960-75

Crop year	Parity index[1]		Price support level adjustment factor[3]
	Previous calendar year	3-year average[2]	
	1910-14=100		*1959=100*
1960	298	293	([4])
1961	300	297	100
1962	302	300	101
1963	307	303	102
1964	312	307	103
1965	313	311	104
1966	321	315	106
1967	334	313	108
1968	342	332	111
1969	355	344	115
1970	373	357	120
1971	390	373	125
1972	410	391	131
1973	432	411	138
1974	496	446	150
1975	578	502	168

[1] Index of prices paid by farmers, including wage rates, interest and taxes. [2] 3 calendar years immediately preceding. [3] 3-year average parity index divided by 1959 parity index. [4] Act of February 20, 1960 price support at the 1959 level.

Growers of cigar binder and Ohio filler tobaccos approved marketing quotas on their next 3 crops. Therefore, price support will be available for their 1975, 1976, and 1977 crops. Growers of flue-cured, burley, fire-cured, dark air-cured, and Virginia sun-cured tobaccos approved marketing quotas applicable to the 1975 crop in previous referendums. However, growers of Maryland and Pennsylvania filler tobaccos disapproved marketing quotas in referendums held in February 1974. Hence, price support does not apply for these two types through 1976.

USDA is considering terminating allotments on the 1975 crops of fire-cured, dark air-cured, and cigar tobaccos. When quotas result in tobacco supplies less than the supply needed, USDA can investigate, hold hearings, and increase or suspend quotas. USDA has suspended allotments for cigar binder (types 51-52) every year since 1970. Price supports remain in effect when quotas are terminated.

FLUE-CURED

Utilization About Steady

Domestic disappearance of flue-cured tobacco (types 11-14) during 1974/75 may remain near last season's 703 million pounds. During the first half of the current marketing year, domestic disappearance declined 9 percent below a year earlier. Cigarette output for last July-December was 5 percent lower than in the comparable period of 1973/74, but is expected to rise in January-June 1975.

Exports so far this marketing year are slightly below last season's level. The EC is taking less but Taiwan, Japan, and the Middle East are taking more. The total is running about a tenth above the July-January average of 1968-72. Flue-cured export prospects for the 12 months ending in June appear near those of last season. July-January exports were 368 million pounds, farm sales weight, and exports for the rest of the season may trail. For the first 7 months, South Vietnam, Taiwan, and Japan recorded gains. Shipments to the EC were down 18 percent. The U.K. took 25 percent less than last year and Germany 15 percent less.

Carryover Declining Again

Despite the larger crop last season, it will be more than matched by disappearance. This means that the flue-cured carryover on July 1 will drop slightly from the 1,607 million pounds of mid-1974. Since the beginning of acreage-poundage controls in 1965, the decline has averaged 95 million pounds a year through mid-1974.

Manufacturers and dealers have augmented their auction purchases by buying from CCC loan stocks again this season. During July 1974-February 1975, 78 million pounds of flue-cured tobacco were sold from loan stocks, compared with 125 million the same period last year. Unsold loan stocks on March 1 of 100 million pounds, farm sales weight, were substantially below a year earlier and the lowest level since the late 1940's.

Flue-cured tobacco: Acreage allotted and underproduction, 1960-75

Year	Acreage allotted[1]	Under production[2]	
		Number	As percent of allotments
	Thousands acres	*Thousands acres*	*Percent*
1960	713.3	21.6	3.0
1961	714.2	15.7	2.2
1962	745.2	15.4	2.1
1963	708.5	14.0	2.0
1964	638.2	10.7	1.7
1965	606.6	44.3	7.3
1966	644.9	38.0	5.9
1967	644.7	34.5	5.4
1968	578.2	45.2	7.8
1969	640.9	64.1	10.0
1970	638.7	54.6	8.5
1971	572.1	46.3	8.1
1972	562.3	48.7	8.7
1973	642.4	67.3	10.5
1974	725.9	108.6	15.0
1975	854.8	147.6	17.3

[1] Basic allotment adjusted for overmarketings and undermarketings, 1966 to present. [2] Acreage allotted minus (latest year based on March 1 intentions).

Compiled from records and reports of Tobacco and Peanut Division, ASCS and Statistical Reporting Service.

Acreage to Increase

The basic quota for 1975 is up 15 percent and adding net undermarketings gives an effective quota of 1,572 million pounds, about 18 percent above 1974's quota. By States, the change from last year's effective quota ranges from a decrease of 3 percent in Georgia to an increase of 24 percent in North Carolina.

A larger crop is expected. Historically, producers have marketed an average of 96 percent of poundage quotas, although acreage has been only 90 percent of acreage allotments (1969-74). According to March 1 intentions, 707,000 acres will be grown, about 15 percent above last year. On the intended acreage, a projected yield per acre—which takes into account the stabilized yield under farm-poundage quotas—indicates a 1975 production of about 1.4 billion pounds. This size crop would be around 15 percent above 1974.

The projected crop plus the tentative carryover would give a 1975/76 supply about 4 percent above the 2.85 billion pounds available in the current marketing year (table 14).

BURLEY

Basic Quota Increased; Crop Prospects Up

The 1975 basic quota for burley tobacco of 667 million pounds is 10 percent larger than last year.

Table 13—Flue-cured and burley tobacco: Marketing quota and marketings, 1965-75

Year	Quota		Marketings				Net Carryover[2]
	Basic	Effective	Actual	Over-quota	Under-quota	Effective under quota[1]	
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
			Flue-cured, types 11-14				
1965	1,126.0	1,124.4	1,055.5	27.1	96.0	91.2	64.0
1966	1,135.0	1,199.0	1,107.9	35.0	126.1	111.1	76.1
1967	1,126.3	1,202.4	1,247.5	77.9	30.8	18.4	-59.5
1968	1,127.5	1,067.9	996.4	26.5	96.6	86.1	59.6
1969	1,127.4	1,187.0	1,052.1	26.6	157.9	145.9	119.3
1970	1,071.5	1,190.8	1,178.2	65.1	71.2	63.4	-1.7
1971	1,071.6	1,069.9	1,076.3	60.4	49.9	45.8	-14.5
1972	1,071.2	1,056.7	1,022.1	41.2	72.9	68.1	26.8
1973	1,178.7	1,205.6	1,159.0	54.8	100.5	95.3	40.5
1974	1,296.6	1,337.1	[3] 1,245.1	50.0	138.9	132.4	82.5
1975	1,489.9	[3] 1,572.3					
			Burley, type 31				
1971	555.1	553.0	471.5	9.7	91.1	89.7	80.1
1972	531.5	611.5	588.6	30.7	45.7	44.6	13.9
1973	559.7	573.6	460.7	11.3	113.1	111.7	100.3
1974	606.5	706.8	607.9	23.0	121.6	106.1	83.1
1975	667.1	[4] 750.2					

[1] Under quota marketing less ineligible carryover. [2] Effective under quota marketings less over quota marketings. [3] Preliminary. [4] Subject to revision.

Compiled from records and reports of Tobacco and Peanut Division, ASCS.

Table 14—Flue-cured tobacco, types 11-14, and burley tobacco, type 31: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1965-75

(Farm-sales weight)

Marketing year	Acreage harvested	Yield per acre	Production	Beginning stocks[1]			Total supply
				Manufacturers and other	Under loan	Total	
	Thousand acres	*Pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
	Flue-cured, types 11-14						
1965	562.3	1,883	1,059.0	1,636.9	918.5	2,555.4	3,614.4
1966	607.0	1,825	1,107.9	1,602.5	836.4	2,438.9	3,546.8
1967	610.3	2,070	[2]1,250.0	1,587.1	685.4	2,272.5	3,522.5
1968	533.0	1,841	[2]995.6	1,528.1	773.4	2,301.5	3,297.1
1969	576.8	1,825	1,052.8	1,299.6	800.5	2,100.1	3,152.9
1970	584.1	2,042	[2]1,178.1	1,227.5	744.9	1,972.4	3,150.5
1971	525.8	2,050	[2]1,076.3	1,214.5	761.9	1,976.4	3,052.7
1972	513.6	1,971	[2]1,022.1	1,292.4	617.8	1,910.2	2,932.3
1973	575.1	2,011	[2]1,159.0	1,347.0	402.3	1,749.3	2,908.3
1974[3]	617.3	[2]2,017	[2]1,245.1	1,330.6	276.7	1,607.3	2,852.4
1975[4]	707.2	2,000	1,400	1,438.4	129.0	1,567.4	2,967.4
	Burley, type 31						
1965	277.1	2,116	586.3	1,099.3	316.4	1,415.7	2,002.0
1966	240.7	2,437	586.7	1,133.4	261.9	1,395.3	1,982.0
1967	237.7	2,274	540.6	1,104.8	276.7	1,381.5	1,922.1
1968	237.6	2,372	563.4	1,002.4	321.7	1,324.1	1,887.5
1969	237.7	2,488	591.4	975.7	340.8	1,316.5	1,907.9
1970	216.4	2,590	560.5	887.9	454.8	1,342.7	1,903.2
1971	213.5	2,213	472.6	882.4	468.4	1,345.8	1,818.4
1972	235.6	2,552	[2]590.3	920.9	327.6	1,248.5	1,838.8
1973	222.1	2,028	[2]461.4	952.5	276.7	1,229.2	1,690.6
1974[3]	258.8	[2]2,353	[2]609.0	931.5	139.2	1,070.7	1,679.7
1975[4]	276.6	2,375	660.0	1,040.7	4.0	1,044.7	1,704.7

Marketing year	Disappearance			Average price per pound	Price support level	Placed under Government loan	
	Total	Domestic	Exports			Quantity	Percentage of crop
	Million pounds	*Million pounds*	*Million pounds*	*Cents*	*Cents*	*Million pounds*	*Percent*
	Flue-cured, types 11-14						
1965	1,175.5	752.4	423.1	64.6	57.7	71.5	6.8
1966	1,274.3	687.2	587.1	66.9	58.8	74.6	6.8
1967	1,221.0	687.7	533.3	64.2	59.9	282.1	22.6
1968	1,197.0	671.7	525.3	66.6	61.6	128.8	12.9
1969	1,180.5	645.9	534.6	72.4	63.8	97.6	9.3
1970	1,174.1	640.1	534.0	72.0	66.6	144.2	12.2
1971	1,142.5	662.5	480.0	77.2	69.4	55.7	5.2
1972	1,183.0	664.2	518.8	85.3	72.7	24.3	2.4
1973	1,301.0	703.0	598.0	88.1	76.6	30.7	2.7
1974	[4]1,285.0	[4]705.0	[4]580.0	[2]105.0	83.3	24.7	2.0
1975					[4]93.2		
	Burley, type 31						
1965	606.7	549.6	57.1	67.0	59.5	42.2	7.2
1966	600.5	544.1	56.4	66.9	60.6	62.5	10.6
1967	598.0	544.6	53.4	71.8	61.8	64.2	11.9
1968	571.0	516.1	54.9	73.7	63.5	56.2	10.0
1969	565.2	507.1	58.1	69.6	65.8	158.2	26.8
1970	557.4	503.0	54.4	72.2	68.6	47.7	8.5
1971	569.9	515.2	54.7	80.9	71.5	.2	---
1972	609.6	534.5	75.1	79.2	74.9	22.9	3.9
1973	619.0	533.1	86.8	92.9	78.9	.7	.1
1974	[4]635.0	[4]545.0	[4]90.0	[2]113.8	85.8	[3]2.5	---
1975					[4]96.1		

[1] July for flue-cured; October 1, for burley. [2] Sales. [3] Subject to revision. [4] Estimated; production is based on intended acreage and projected yield.

Tobacco loan stocks, 1973-75

(Farm-sales weight)

Type	End of November		
	1973	1974	1975
	Million pounds	*Million pounds*	*Million pounds*
Flue-cured, 11-14	478.1	315.1	201.5
Uncommitted	358.1	209.7	100.2
Burley, 31	302.4	186.5	48.8
Uncommitted	257.1	70.2	0
Virginia, 21	(1)	(1)	0
Kentucky-Tennessee, 22-23	3.1	2.8	.4
Kentucky-Tennessee, 35-36	13.6	10.5	.9
Ohio, 42-44	0	0	0
Puerto Rican, 46	0	0	1.4
Connecticut Valley, 51-52	2.6	2.2	1.9
Wisconsin, 54-55	(1)	(1)	0
Total	799.8	517.2	254.9

[1] Negligible.

Compiled from records of Tobacco and Peanut Division, ASCS.

The increase is necessary to provide an adequate supply to meet anticipated utilization. Marketings from the 1974 crop totaled 609 million pounds, up sharply from 1973 when the crop was very short. Net undermarketings were 14 percent of the 1974 effective quota and were about the same in volume as 1973's shortfall. The net carryover brings the effective farm quota for 1974 to 750 million pounds—6 percent more than the effective quota last season.

March 1 intentions indicate burley growers will set about 7 percent more acreage than last year. Assuming an average yield adjusted for modified trend, production would total 660 million pounds, about 8 percent more than last year's weather-reduced crop. The indicated carryover would result in a 1975/76 supply a little larger than in the current marketing year.

Supply Steadies

Last year's crop turned out larger than midseason estimates so the 1974/75 burley tobacco supply reached 1.68 billion pounds, about 1 percent below a year earlier. Supply is equal to 2.65 times estimated disappearance. Carryover on October 1 was 6 percent below a year earlier and the lowest since 1963 (table 14).

With rising cigarette sales and exports, manufacturers and dealers have exhausted the loan stocks. Since last December, all the previous crops of burley loan stocks had been sold and will move into the trade by October. The two grower loan associations received only 0.4 percent of the 1974 crop.

Rising cigarette production means domestic burley use in 1974/75 may increase from the 532 million pounds of last marketing year. But exports may stabilize near last year's high level. Shipments in October 1974—January 1975 decreased 10 million pounds. Smaller shipments to West Germany and Sweden more than offset larger purchases by the Netherlands, the Philippine Republic, and Denmark.

Foreign burley production in 1974 increased 30 million pounds. Mexico increased burley production 22 percent and several other countries had gains. With such foreign producers as Argentina, Brazil, Philippines, and other expanding output, U.S. exports may do well to hold their own this season.

Although the 1974 U.S. burley crop was large, it was below disappearance so carryover stocks next October 1 will likely be down from the 1,071 million pounds of last year.

Auction Prices Record High

The average price for the 1974 burley crop was the highest ever. Sales volume was up 35 percent from 1973 season's level. This season's marketings declined in quality from last year. Sales contained a smaller percentage of choice, fine, and good quality with a larger proportion of nondescript, no-grade, and wet tobacco. Mixed grades were 23 percent of 1973 sales and last year's crop contained a substantially higher share. Principal offerings were good and fair leaf, good mixed, and fair lugs. The crop value last season was a new record, some 45 percent above the previous high of $476 million for the 1972 crop.

Auction prices for the 1974 burley crop (including resales) averaged $1.14 a pound—21 cents above the previous year's record level. Average prices by grade ranged from 10 to 24 cents per pound above 1973's season. Lower quality tobacco gained the least. Average increases by States ranged from 14.7 to 22.6 cents (table 15). Average prices by markets ranged from 95.65 cents per pound in West Jefferson, N.C., to $1.18 cents in Springfield, Ky. (table 16).

All markets opened November 25, and the season ended February 24 at Lexington, Ky. The larger crop only took 3 more sale days than for the 1973 crop. Variation in day-to-day market averages was the most in several years. Prices peaked at an average of $1.20 per pound Dec. 9 but were down to $1.14 average December 18, when markets closed for the holidays. By then over three-fourths of the crop was sold.

MARYLAND

Auctions Open April 15

Auctions for the 1974 crop of Maryland tobacco (type 32) are scheduled to open April 15 and continue at least through mid-June. Maryland tobacco does not receive government price support. For the 1973 crop (marketed mostly in 1974), growers received the highest average price on record, 87.8 cents a pound. Quantity marketed was 2 percent above the previous season's marketings which were the lowest since the early 1930's.

Table 15.--Burley tobacco: Gross sales, and average price, by States, crops of 1973 and 1974

States	1973 crop		1974 crop 1/	
	Sales	Average price	Sales	Average price
	Million pounds	Cents per pound	Million pounds	Cents per pound
Kentucky	336.6	93.20	472.8	114.25
Tennessee	91.7	92.13	105.3	114.72
Virginia	25.0	92.10	28.9	112.91
North Carolina	17.9	91.74	19.2	106.41
West Virginia	4.5	90.93	4.8	106.79
Indiana	9.4	92.59	15.4	111.92
Ohio	7.5	92.92	12.5	111.00
Missouri	4.0	90.19	5.9	112.56
Total all States 2/	496.7	92.84	664.8	113.85

1/ Subject to revision. 2/ Computed from unrounded data.

Table 16.--Burley tobacco: Price spreads among specified grades, average 1955-64, annual 1965-74

Period	Average price of C4F	Cents per pounds lower than C4F						
		X4F	C4R	B4F	B4FR	B4R	T4R	N1G
	Cents per pound							
Average:								
1955-59	67	1	2	3	5	7	11	25
1960-64	71	1	4	4	9	14	19	32
1965	73	1	6	5	8	13	15	28
1966	74	1	6	4	9	13	13	25
1967	75	0	3	4	7	8	9	14
1968	75	1	2	2	3	4	5	10
1969	75	1	1/6	5	8	12	13	19
1970	77	0	1/5	3	5	8	10	18
1971	82	1	1/1	1	1	1	2	11
1972	80	0	1/1	0	0	0	2	9
1973	93	1	1/2	0	0	0	1	11
1974	117	1	1/5	1	0	0	2	28

1/ C4K grade.

About 2½ million pounds of type 32 were certified and sold in burley and other quota areas. About two-thirds of this tobacco were sold through private sales and one-third sold at auction sales, bringing an overall average of 48 cents per pound. Substantially less type 32 tobacco is expected to be grown in quota areas this season because an amendment to the quota law means sales will count against a producer's quota or be subject to penalties.

Supplies Increase

The 1974 crop was large enough to increase January 1 stocks by 8 million pounds. Growers produced an 11 percent smaller crop in 1974 than in the previous season. Nevertheless, this year's supply is about 4 million pounds above 1973/74 (table 17). Use may exceed the past marketing year's level with domestic and foreign cigarette production increasing.

Exports during October 1974—January 1975 were 4.6 million pounds. This was 1.6 million above a year-earlier. Switzerland, the major market, took more than in the year-earlier period.

Output Prospects

Based on March 1 intentions, farmers will set about 23,000 acres this year, down 4 percent from 1974. This does not include Maryland tobacco grown outside the traditional southern Maryland producing area. Growers rejected marketing quotas for their 1975 and 1976 crops of Maryland in a previous referendum. Quotas were last in effect for the 1965 crop of Maryland tobacco.

Assuming an average yield, a little below last year, about 26 million pounds would be produced from the 1975 intended acreage—about one-third below the 1973 outturn and one-seventh below last year. So the 1975/76 supply—projected output plus tentative carryover—may total below this year's 83 million pounds.

FIRE-CURED

Price Record High

Prices rose to a record high for the small volume fire-cured crop (types 21-23). Virginia crop (type 21) prices were up about 6 cents per pound to a record 81.6 cents. For the Kentucky-Tennessee types prices also rose sharply after a jump in price last season. Quality of offerings were considerably lower than last season for the Virginia crop. Auction sales began in early December for Virginia fire-cured and in mid-January for types 22-23. Final sales were held February 6 for type 21 and February 27 for types 22-23.

For types 22-23, grade price averages advanced in all cases. Increases ranged from 2 to 41 cents per pound. Deliveries to associations under the government loan program remained low. The average price of 92 cents per pound for the 1974 crop (types 21-23) was up over a fourth from the previous year. Volume of producer marketings increased for types 21 and 23 but were down for type 22.

Exports Decrease

During the first third of the current marketing year (October 1974-January 1975), exports of Kentucky-Tennessee fire-cured decreased to 4 million pounds from the year-earlier level of 7½ million. Shipments increased to Switzerland and Belgium, while the Netherlands and Sweden decreased their takings. Exports of Virginia fire-cured were about the same.

Foreign fire-cured production declined about 10 million pounds last year. Malawi and Italy showed principal production declines. Consequently, U.S. exports may increase this marketing year. Despite the slight decline in snuff and plug chewing output in the U.S., domestic use of fire-cured types in 1974/75 may increase (table 18).

Prospective Acreage Up

Acreage of fire-cured types in 1975 will increase 8 percent, according to farmers' March 1 intentions. An

Table 17—Maryland tobacco, type 32: Acreage, yield, production, carryover, supply, disappearance, season average price, 1968-74

Marketing year	Acreage harvested	Yield per acre	Supply			Disappearance[1]			Average price per pound to growers
			Production	Stocks, Jan. 1	Total	Total	Domestic	Exports	
	Thousand acres	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Cents*
1968	29.0	1,100	31.9	81.5	113.4	48.7	38.3	10.4	69.8
1969	26.5	1,060	28.1	66.7	94.8	41.3	29.1	12.2	75.1
1970	27.0	1,090	29.4	50.1	79.5	39.5	27.6	11.9	78.6
1971	27.0	1,040	28.1	46.0	74.1	25.5	17.5	8.0	81.9
1972	24.0	990	23.8	46.6	70.4	25.5	13.4	12.1	84.5
1973[2]	27.8	1,260	35.0	43.8	78.8	26.0	13.7	12.3	[3]87.8
1974[2]	26.0	1,200	31.0	51.8	82.8				

[1] Year beginning October 1. [2] Includes sales and certification data from production in quota areas. [3] 90.5 cents in Maryland and 62.5 cents in other States.

Table 18.--Fire-cured tobacco, Kentucky-Tennessee types 22-23, and Virginia fire-cured type 21: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1967-74

(Farm-sales weight)

Marketing year beginning October 1	Acreage harvested	Yield per acre	Production	Beginning stocks, October 1 -- Manufacturers and other	Beginning stocks, October 1 -- Under loan	Beginning stocks, October 1 -- Total	Total supply
	Thousand acres	Pounds	---------- Million pounds ----------				
	Kentucky-Tennessee fire-cured, types 22-23						
1967	17.3	1,702	29.5	64.0	27.3	91.3	120.8
1968	17.9	1,822	32.6	57.3	21.5	78.8	111.4
1969	19.0	1,797	34.1	61.1	11.6	72.7	106.8
1970	17.7	1,749	30.9	54.1	9.7	63.8	94.7
1971	19.5	1,928	37.6	48.6	4.7	53.3	90.9
1972	20.4	1,844	37.6	55.0	1.2	56.2	93.8
1973	16.6	1,668	27.7	54.2	3.1	57.3	85.0
1974 1/	16.3	*1,577	*25.7	44.0	1.1	45.1	70.8
	Virginia fire-cured, type 21						
1967	5.4	1,290	7.0	12.1	2.7	14.8	21.8
1968	4.9	1,205	5.9	8.9	2.8	11.7	17.6
1969	5.0	1,340	6.7	8.0	1.9	9.9	16.6
1970	5.0	1,230	6.2	8.4	1.4	9.8	16.0
1971	5.0	1,180	5.9	8.0	1.0	9.0	14.9
1972	4.8	970	4.7	7.9	.4	8.3	13.0
1973	4.7	1,205	5.7	7.6	3/	7.6	13.3
1974 1/	5.0	*1,200	*5.8	7.1	---	7.1	12.9

Marketing year beginning October 1	Disappearance: Total	Disappearance: Domestic	Disappearance: Exports	Average price per pound	Price support level	Placed under Government loan: Quantity	Placed under Government loan: Percentage of crop
	Million pounds			Cents		Million pounds	Percent
	Kentucky-Tennessee fire-cured, types 22-23						
1967	42.0	14.9	27.1	46.2	41.9	.8	2.7
1968	38.7	2/19.1	19.6	51.1	43.1	.4	1.2
1969	43.0	18.5	24.5	48.1	44.6	1.9	5.6
1970	41.4	13.1	28.3	54.4	46.6	3/	.1
1971	34.7	16.0	18.7	60.8	48.5	3/	.1
1972	36.5	14.2	22.3	57.3	50.8	2.8	7.4
1973	39.9	15.7	24.2	71.7	53.5	.2	.7
1974				*93.2	58.2	.7	2.7
	Virginia fire-cured, type 21						
1967	10.1	3.4	6.7	40.9	41.9	.7	10.1
1968	7.7	3.0	4.7	46.9	43.1	.2	3.4
1969	6.8	1.7	5.1	53.1	44.6	.1	1.5
1970	7.0	2.4	4.6	52.0	46.6	.1	2.0
1971	6.6	3.1	3.5	54.8	48.5	.1	1.0
1972	5.4	1.3	4.1	64.2	50.8	3/	.1
1973	6.2	1.7	4.5	75.5	53.5	3/	---
1974				*81.6	58.2	.3	4.5

1/ Subject to revision. 2/ Includes 4.7 million pounds fire loss, April 1969. 3/ Less than 50,000 pounds. * Indicated by sales data.

11 percent increase for types 22-23 will offset a slight decline for type 21.

Acreage allotments for most farms growing Kentucky-Tennessee fire-cured will be about 12.5 percent larger in 1975 than in 1974. The national quota for Virginia fire-cured is about the same as in 1974. However, quotas will be reduced in line with plantings on farms that historically have produced less than 75 percent of their quotas.

If the yield per acre follows recent trends, production of the combined fire-cured types would total around 38 million pounds—about one-fifth above 1974 crop marketings.

Carryover of fire-cured tobacco on October 1, 1975, may be around 45 million pounds, about 7 million less than last October 1. Carryover stocks, plus the projected crop, would provide a supply slightly below the 84 million pounds for the current year.

DARK AIR-CURED

Smaller Crop, Higher Prices

Another record-high price prevailed for the 1974 crop of One Sucker, Green River, and Virginia sun-cured tobaccos (types 35-37). Quality of offering, however, was lower than the previous season. Total volume was down slightly. Auction sales started in early December and closed in early February.

Grade price averages were higher and government loan placements were up. The average price was up 15.1 cents for type 35, which has the largest sales volume; type 36 increased 16.4 cents; and type 37 gained 13.0 cents over the 1973 crop averages.

At 49 million pounds, the 1974/75 supply of dark air-cured is down about 14 percent. Virginia sun-cured supplies have been about the same for the last three seasons. (table 19).

Use Pattern Mixed

Plug, twist, and fine-cut chewing tobacco are the chief domestic outlets for dark air-cured tobacco. Output of these products has trended down. The slight decline continued in October-December 1974 (first quarter of the current marketing year).

Most U.S. exports of dark air-cured tobacco reach West African destinations in the form of Black Fat—a semi-processed product. In October 1974-January 1975, Black Fat exports were 400,000 pounds above the year-earlier level.

Intended Acreage

Farmers this year plan to harvest a little more acreage of dark air-cured tobacco. For most farms growing these types, acreages allotments are higher in 1975 than in 1974. Based on an average yield per acre, with allowance for trend, 1975 production of dark air-cured and sun-cured tobaccos would be about 14 million pounds—about 2 million above marketings from the 1974 crop.

Because utilization is expected to exceed the season's marketings, the carryover of dark air-cured and sun-cured types next October 1 probably will decline from the 40 million pounds of last October 1. Indicated carryover plus this year's projected crop would result in a smaller supply.

CIGAR TOBACCO

Prices and Price Support

Producers of cigar tobacco are receiving higher prices this season than last for their tobacco crops. As usual, Connecticut binder crops were sold last fall. Once buyers and sellers began negotiating prices for Ohio, Pennsylvania, and Wisconsin crops in January, the sales pace was rapid. Pennsylvania and Ohio tobacco sold for 65 cents per pound and

Fire-cured and dark air-cured tobacco: Acreage and production, 1973-75

Type	Acreage				Production			
	1973	1974	1975[1]	Change from 1974	1973	1974[2]	1975[3]	Change from 1974
	1,000 acres	*1,000 acres*	*1,000 acres*	*Percent*	*Million pounds*	*Million pounds*	*Million pounds*	*Percent*
Fire-cured								
Virginia, 21	4.8	5.0	4.9	-2	5.7	5.8	5.7	-2
Ky.-Tenn., 22	13.7	13.2	14.6	11	23.2	21.0	26.6	26
Ky.-Tenn., 23	2.9	3.1	3.5	13	4.5	4.6	5.7	24
Total, types 21-23	21.3	21.3	23.0	8	33.4	31.4	38.0	21
Dark air-cured								
Ky.-Tenn., 35	5.3	4.8	5.4	11	8.7	7.3	9.5	30
Kentucky, 36	2.2	2.2	2.3	7	3.8	3.9	4.2	7
Va. sun-cured, 37	.7	.7	.7	-3	.9	.9	.8	-11
Total, types 35-37	8.2	7.7	8.4	9	13.4	12.1	14.5	20

[1] March 1 intentions. [2] Based on auction sales. [3] Based on average yield adjusted for trend.

Table 19.—Dark air-cured tobacco, types 35-36, and Sun-cured tobacco type 37: Acreage, yield, production, carryover, supply, disappearance, season average price, and price support operations, 1967-74

(Farm-sales weight)

Marketing year beginning October 1	Acreage harvested	Yield per acre	Production	Beginning stocks			Total supply
				Manufacturers and other	Under loan	Total	
	Thousand acres	Pounds	Million pounds				
Dark air-cured, types 35-36							
1967	9.5	1,629	15.5	39.2	21.3	60.5	76.0
1968	9.8	1,831	18.0	41.1	17.1	58.2	76.2
1969	10.1	1,793	18.1	44.1	15.0	59.1	77.2
1970	8.2	1,863	15.4	35.5	18.2	53.7	69.1
1971	8.6	1,834	15.7	35.5	14.3	49.8	65.5
1972	8.2	1,875	15.5	33.5	12.7	46.2	61.7
1973	7.6	1,647	12.4	31.9	12.8	44.7	57.1
1974 1/	7.0	2/1,630	2/11.4	31.4	5.5	36.9	48.3
Sun-cured, type 37							
1967	1.2	1,090	1.3	4.2	0	4.2	5.5
1968	1.1	1,095	1.2	3.9	0	3.9	5.1
1969	1.1	1,225	1.3	3.8	0	3.8	5.1
1970	1.0	1,100	1.1	3.3	0	3.3	4.4
1971	.9	1,200	1.1	3.1	0	3.1	4.2
1972	.8	1,010	.8	3.0	0	3.0	3.8
1973	.7	1,320	.9	3.2	0	3.2	4.1
1974 1/	.7	1,300	2/.9	3.0	0	3.0	3.9

Marketing year beginning October 1	Disappearance			Average price per pound	Price support level	Placed under Government loan	
	Total	Domestic	Exports			Quantity	Percentage of crop
	Million pounds			Cents		Million pounds	Percent
Dark air-cured, types 35-36							
1967	17.8	14.8	3.0	40.8	37.3	1.4	9.0
1968	17.1	15.0	2.1	47.4	38.3	.7	3.9
1969	23.5	21.2	2.3	40.3	39.7	4.8	26.5
1970	19.3	16.7	2.6	46.0	41.4	1.0	6.8
1971	19.3	17.4	1.9	47.1	43.1	1.7	10.7
1972	17.0	14.7	2.3	50.3	45.2	1.2	.8
1973	20.2	17.4	2.8	61.9	47.6	#	.2
1974				2/77.1	51.8	.3	2.6
Sun-cured, type 37							
1967	1.6	1.2	.4	45.2	37.3	3/25	1.9
1968	1.3	1.1	.2	53.2	38.3	3/1	.1
1969	1.8	1.5	.3	52.8	39.7	3/1	.1
1970	1.3	1.1	.2	53.8	41.4	3/3	.3
1971	1.2	1.0	.2	54.1	43.1	0	---
1972	.6	.4	.2	57.9	45.2	0	---
1973	1.1	.9	.2	69.2	47.6	0	---
1974				2/82.1	51.8	3/2	2.1

1/ Subject to revisions. 2/ Sales data. 3/ Quantity placed under Government loan reported in thousand pounds. # Less than 50,000 pounds.

Wisconsin growers obtained up to 80.5 cents per pound. Season average price and production data for the 1974 cigar tobacco crop are scheduled for release May 9.

Overall price support levels for the 1975 crop of cigar leaf tobacco are about 12 percent higher than for the 1974 crops. There is no government price support for Pennsylvania tobacco (type 41) or shade-grown cigar wrapper (types 61-62). For many years, the Puerto Rican Government has allocated annual poundage quotas to cigar filler growers and made supplemental payments. The current supplemental rate is 20 cents per pound.

Cigar Filler and Binder Allotments

For most farms growing cigar filler and binder tobacco (types 42-44, 53-55) USDA set 1975 acreage allotments about the same as for 1974. Growers approved marketing quotas for their 1975-77 crops in two referendums last month. Also, USDA reallocated allotments from growers who did not wish to use their allocated acreage this year to growers who want to increase their crop.

In January, USDA set 1975 allotments for most farms growing cigar binder (types 51-52) 5 percent below the level of 1974. However, the national allotment is 7 percent below acreage allotted in 1974. Farms that have substantially reduced their plantings in recent years will have their allotments reduced in line with their plantings. Connecticut-Massachesetts allotments are about unchanged from a year earlier.

U.S. and Puerto Rican Supplies Lower

Total supplies of U.S. and Puerto Rican cigar tobacco are down 2 percent from the past marketing year. Production was 13 percent greater but carryover was down 10 percent. Cigar filler accounted largely for the drop, but wrapper supplies also decreased (table 20).

March 1 grower intentions indicate smaller acreages of cigar filler and wrapper tobacco this season. Based on average yield, the cigar tobacco crop may be down about 6 percent. Cigar filler has experienced the weakest market in recent years. With increased prices, Wisconsin tobacco growers plan for a larger crop next season. After 4 years of sharp reductions, cigar wrapper supplies are still adequate.

The January 1, 1975, stocks of Puerto Rican tobacco (on the Island and in the United States) totaled 6 million pounds—1 million below a year earlier. The crop planted in late 1974 for harvest in early 1975 is tentatively estimated at 4.5 million pounds—below last year and near the record-low harvest in 1970.

More foreign cigar tobaccos arrived in the United States in 1974 than the year before. The average import value of cigar filler and scrap tobacco brought in last year was 57.9 cents per pound.

Cigar tobacco: Prospective plantings and projected production, 1975

Class type	Acreage[1]		Production[2]	
	Amount	Change from 1974	Amount	Change from 1974
	Thou. acres	*Pct.*	*Mil. lb.*	*Pct.*
Filler				
Pennsylvania	12.5	-4	20.6	-10
Ohio	2.0	0	3.3	0
Total	14.5	-3	23.9	-8
Binder				
Connecticut Valley	1.4	-1	2.4	-3
Wisconsin	10.2	9	19.8	+12
Total	11.6	6	22.2	+10
Wrapper				
Connecticut Valley	4.6	-7	6.6	-17
Georgia-Florida	1.1	-43	1.7	-47
Total	5.6	-17	8.3	-26
Total, all types	31.7	-3	54.4	-5

[1] Based on farmers' intentions as of March 1. [2] Based on average yield adjusted for trend.

Domestic Use May Decline

Cigar makers may continue to sell fewer small cigars this year. Large cigars also may not hold their own. Domestic disappearance of U.S. filler types will probably fall from last year's low level. Imported tobacco accounts for about two-thirds of our total filler use. During October 1974-January 1975, cigar factories used more imported cigar tobacco imports for consumption than a year earlier, with all major sources providing more.

Disappearance in 1974/75 of Connecticut Valley cigar binder, will probably fall below last season's 3.2 million pounds. Production is stabilizing below the offtake level. The major use for Wisconsin tobacco is

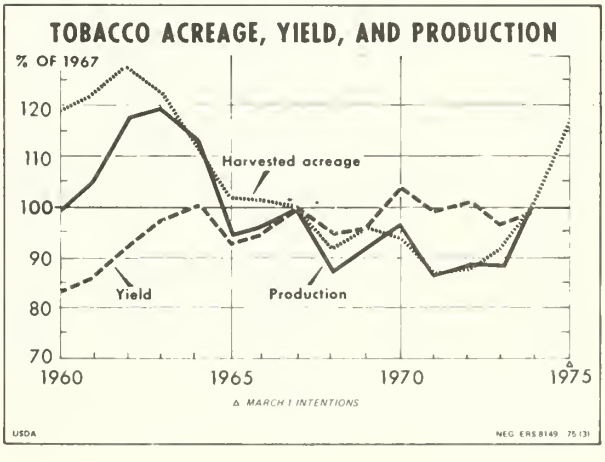


Table 20.--Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, for 1967-74

(Farm-sales weight)

Crop year	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks 1/	Total supply	Total	Domestic	Exports	
	Thous. acres	Pounds	Million pounds						Cents
Pennsylvania Seedleaf Filler (type 41)									
1967	21.0	1,825	38.3	112.3	150.6	41.9	41.3	0.6	28.0
1968	21.0	1,775	37.3	108.7	146.0	40.9	40.0	.9	30.0
1969	20.0	1,825	36.5	105.1	127.9	44.3	43.7	.6	30.0
1970	17.0	1,800	30.6	97.3	129.3	40.9	40.7	.2	31.0
1971	15.2	1,610	24.5	87.0	111.5	41.3	40.6	.4	36.0
1972	13.0	1,400	18.2	70.2	88.4	34.7	34.4	.3	46.0
1973	13.0	1,700	22.1	53.7	75.8	28.3	27.5	.8	52.0
1974 2/	13.0	1,750	22.8	47.5	70.3				
Ohio, Miami Valley Filler (types 42-44)									
1967	2.3	1,580	3.6	15.5	19.1	6.2	6.2	---	29.0
1968	2.0	1,670	3.4	12.9	16.3	5.4	5.4	---	31.0
1969	1.7	1,650	2.8	10.9	13.7	4.7	4.7	---	32.5
1970	1.6	1,750	2.9	9.0	11.9	4.1	4.1	---	38.0
1971	2.0	1,850	3.8	7.8	11.6	4.6	4.6	---	41.0
1972	2.4	1,780	4.2	7.0	11.2	4.4	4.4	---	44.0
1973	2.2	1,420	3.1	6.8	9.9	4.0	4.0	---	51.0
1974 2/	2.0	1,650	3.3	5.9	9.2				
Puerto Rico Filler (type 46) 3/									
1967	7.6	1,419	10.8	40.5	51.3	16.9	16.9	---	4/33.1
1968	6.0	1,282	7.6	34.4	42.0	16.2	16.2	---	4/33.3
1969	4.7	1,303	6.1	25.8	31.9	12.6	12.6	---	4/33.6
1970	3.2	1,397	4.5	19.3	23.8	8.8	8.8	---	4/36.1
1971	4.8	1,418	6.7	15.0	21.7	9.0	9.0	---	4/39.8
1972	5.6	833	4.8	12.7	17.5	8.3	8.3	---	4/42.1
1973	4.5	1,435	6.5	9.2	15.7	5.7	5.7	---	4/41.2
1974 2/	3/2.8	1,600	3/4.5	10.0	14.5				
Total Cigar Filler (types 41-46)									
1967	30.9	1,707	52.7	168.3	221.0	65.0	64.4	.6	29.1
1968	29.0	1,666	48.3	156.0	204.3	62.5	61.6	.9	30.5
1969	26.4	1,721	45.4	141.8	187.2	61.6	61.0	.6	30.6
1970	21.8	1,737	38.0	125.6	163.6	53.8	53.6	.2	32.1
1971	22.0	1,587	35.0	109.8	144.8	54.9	54.5	.4	37.3
1972	21.0	1,293	27.2	89.9	117.1	47.4	47.1	.3	45.0
1973	19.7	1,450	31.7	69.7	101.4	38.0	37.2	.8	49.7
1974 2/	17.8	1,720	30.6	63.4	94.0				
Connecticut Valley Binder (types 51-52)									
1967	1.5	1,819	2.7	16.4	19.1	7.9	5.7	2.2	54.5
1968	1.6	1,808	2.8	11.2	14.0	5.1	4.7	.4	59.5
1969	1.6	1,434	2.3	8.9	11.2	4.2	3.9	.3	58.2
1970	1.7	1,756	2.9	7.0	9.9	2.7	2.4	.3	65.5
1971	1.6	1,743	2.8	7.2	10.0	2.6	2.5	.1	65.7
1972	1.6	1,600	2.5	7.4	9.9	2.4	2.3	.1	70.1
1973	1.6	1,721	2.7	7.5	10.2	3.2	3.1	.1	72.8
1974 2/	1.4	1,740	2.5	7.0	9.5				
Southern Wisconsin Binder									
1967	3.8	1,905	7.2	20.7	27.9	8.0	8.0	---	34.4
1968	3.7	1,990	7.4	19.9	27.3	7.7	7.7	---	36.8
1969	3.7	1,740	6.4	19.6	26.0	9.3	9.3	---	40.2
1970	4.4	2,135	9.4	16.7	26.1	7.3	7.3	---	50.3
1971	5.3	2,270	12.0	18.8	30.8	10.5	10.5	---	55.6
1972	5.0	1,685	8.4	20.3	28.7	9.3	9.3	---	48.0
1973	4.9	1,950	9.6	19.4	29.0	10.1	10.1	---	60.5
1974 2/	4.7	1,925	9.0	18.9	27.9				
Northern Wisconsin Binder (type 55)									
1967	4.5	1,975	8.9	29.3	38.2	9.3	8.9	.4	34.1
1968	4.0	1,670	6.7	28.9	35.6	14.9	14.5	.4	37.9
1969	3.7	1,815	6.7	20.7	27.4	8.8	8.5	.3	43.4
1970	4.4	2,055	9.0	18.6	27.6	9.2	9.1	.1	52.0
1971	5.3	1,980	10.5	18.4	28.9	9.9	9.9	#	54.0
1972	5.8	1,770	10.3	19.0	29.3	9.8	9.8	#	49.0
1973	5.3	1,775	9.4	19.5	28.9	12.0	12.0	#	60.7
1974 2/	4.7	1,825	8.6	16.9	25.5				

See footnotes at end of table.

Continued -

Table 20.--Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, for 1967-74--Cont.

(Farm-sales weight)

Crop year	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks 1/	Total supply	Total	Domestic	Exports	
	Thous. acres	Pounds	Million pounds						Cents
Total Wisconsin Binder (types 54-55)									
1967	8.3	1,943	16.1	50.0	66.1	17.3	16.9	0.4	34.2
1968	7.7	1,824	14.1	48.8	62.9	22.6	22.2	.4	37.3
1969	7.4	1,778	13.1	40.3	53.4	18.1	17.8	.3	41.8
1970	8.8	2,095	18.4	35.3	53.7	16.5	16.4	.1	51.1
1971	10.6	2,125	22.5	37.2	59.7	20.4	20.4	#	54.9
1972	10.8	1,731	18.7	39.3	58.0	19.1	19.1	#	48.5
1973	10.2	1,859	19.0	38.9	57.9	22.2	22.2	#	60.6
1974 2/	9.4	1,875	17.6	35.8	53.4				
Total Cigar Binder (types 51-55)									
1967	9.8	1,924	18.8	66.4	85.2	25.2	22.6	2.6	37.1
1968	9.3	1,821	16.9	60.0	76.9	27.7	26.9	.8	41.0
1969	9.0	1,716	15.4	49.2	64.6	22.3	21.7	.6	44.3
1970	10.5	2,041	21.3	42.3	63.6	19.2	18.8	.4	53.1
1971	12.2	2,075	25.3	44.4	69.7	23.0	22.9	.1	56.1
1972	12.4	1,714	21.2	46.7	67.9	21.5	21.4	.1	51.1
1973	11.8	1,841	21.7	46.4	68.1	25.4	25.3	.1	62.1
1974 2/	10.8	1,857	20.1	42.8	62.9				
Connecticut Valley Shade-grown (type 61)									
1967	8.5	1,124	9.6	16.0	25.6	12.9	9.6	3.3	360.0
1968	8.4	1,215	10.2	12.7	22.9	10.8	9.1	1.7	280.0
1969	6.3	1,288	8.1	12.1	20.2	8.0	7.0	1.0	400.0
1970	6.0	1,535	9.3	12.2	21.5	7.6	6.6	1.0	400.0
1971	4.7	1,635	7.7	13.9	21.6	8.4	5.7	2.7	400.0
1972	4.1	1,250	5.1	13.2	18.5	7.6	4.8	2.8	485.0
1973	5.0	1,210	6.1	10.7	16.8	8.3	6.4	1.9	515.0
1974 2/	4.9	1,637	8.0	8.5	16.5				
Georgia-Florida Shade-grown (type 62)									
1967	5.1	1,573	8.0	8.7	16.7	7.9	6.3	1.6	245.0
1968	5.0	1,556	7.9	8.8	16.7	9.2	7.1	2.1	270.0
1969	5.0	1,569	7.8	7.5	15.3	6.1	5.2	.9	280.0
1970	3.6	1,590	5.6	9.2	14.8	6.7	5.8	.9	270.0
1971	3.0	1,582	4.7	8.1	12.8	6.2	5.4	.8	262.0
1972	3.0	1,517	4.6	6.6	11.2	4.2	3.8	.4	280.0
1973	2.6	1,413	3.7	7.0	10.7	4.2	3.7	.5	350.0
1974 2/	1.9	1,725	3.2	6.5	9.7				
Total Shade-grown (types 61-62)									
1967	13.6	1,292	17.6	24.7	42.3	20.8	15.9	4.9	308.0
1968	13.4	1,343	18.1	21.5	39.6	20.0	16.2	3.8	276.0
1969	11.3	1,411	15.9	19.6	35.5	14.1	12.2	1.9	341.3
1970	9.6	1,555	14.9	21.4	36.3	14.3	12.4	1.9	351.0
1971	7.7	1,614	12.4	22.0	34.4	14.6	11.1	3.5	347.5
1972	7.1	1,365	9.7	19.8	29.5	11.8	8.6	3.2	387.0
1973	7.6	1,280	9.8	17.7	27.5	12.5	10.1	2.4	453.0
1974 2/	6.8	1,661	11.2	15.0	26.2				
Grand Total Cigar Tobacco (types 41-62)									
1967	54.3	1,642	89.1	259.4	348.5	111.0	102.9	8.1	85.7
1968	51.7	1,610	83.3	237.5	320.8	110.2	104.7	5.5	85.9
1969	46.7	1,645	76.7	210.6	287.3	98.0	94.9	3.1	97.7
1970	41.9	1,771	74.2	189.3	263.4	87.3	84.8	2.5	102.3
1971	41.9	1,734	72.7	176.2	248.9	92.5	88.5	4.0	96.7
1972	40.4	1,434	58.1	156.4	214.5	80.7	77.1	3.6	104.4
1973	39.1	1,627	63.2	133.8	197.0	75.9	72.6	3.3	116.1
1974 2/	35.4	1,750	61.9	121.2	183.1				

1/ October 1 for types 41-55; July 1 for types 61-62.

2/ Subject to revision.

3/ Puerto Rican planting occurs late in calendar year; projected for 1974.

4/ Excludes payment by Puerto Rican Government; 20 cents per pound in 1973.

Less than 50,000 pounds.

loose-leaf chewing tobacco and with sales increasing, domestic disappearance of Wisconsin tobacco may gain.

Domestic use of cigar wrapper is continuing around the low level of the past 4 seasons. Stocks on January 1 were 4 percent below a year earlier. Total disappearance may exceed the 1974 crop of 11 million pounds. Thus, the July 1 carryover could decline. Exports for July 1974-January 1975 were up with more going to the United Kingdom.

FOREIGN MARKETS

Market Briefs

Last year the United Kingdom continued to take less U.S. tobacco while U.K. arrivals from the Commonwealth and other countries gained. Trade with Rhodesia remains embargoed. Despite rising U.S. prices and uncertainty about future EC tobacco taxes, U.K. stocks of U.S. tobacco increased last year, after declining for several years. Net clearances (domestic use) may have declined as U.K. cigarette taxes were increased sharply. Cigarette sales were affected more than cigar sales.

Favorable weather aided Canada's flue-cured crop of 258 million pounds in 1974, about 3 percent above 1973. Auction sales in Ontario began October 28 and totaled 172 million pounds through March 12. Sales averaged 92 Canadian (93 U.S.) cents a pound, 14 cents higher than last season, but somewhat below grower expectations. The Ontario acreage allotment for 1975 has not been determined.

The 1974 flue-cured crop in Rhodesia may be around 200 million pounds. The 1974 crop of 165 million pounds was 35 million pounds above 1973's, drought stricken crop. The 1974 crop prices averaged the equivalent of 52 U.S. cents per pound. Auction sales usually begin in late March.

India's 1974 flue-cured crop of 310 million pounds was 21 percent above the 1973 crop. Production may be down this year, due to competition from other crops and fertilizer shortages.

Activity Begins Under Trade Act

The Trade Act of 1974 (P.L. 93-618, approved Jan. 3, 1975) gives the President broad powers to negotiate trade agreements that not only reduce or raise existing duties but also harmonize, eliminate, or reduce non-tariff barriers to trade. The President may eliminate duties that are not over 5 percent ad valorem (or the equivalent) and reduce higher duties by as much as 60 percent.

The U.S. International Trade Commission (formerly the U.S. Tariff Commission) began public hearings in February to obtain views concerning the future impact of tariff reductions on a broad range of commodities including tobacco and tobacco products. Hearings will continue in April in Washington, D.C., and several other cities.

The Commission seeks to develop information on competitive relationships between domestic and foreign products, including technological development. An assessment of the market outlook for both domestic and foreign products as result of duty reductions possible under the Act also is requested. By mid-July, the Commission has to make recommendations to the President on the impact of any proposed duty changes.

In future trade negotiations, trade access, particularly with the EC which normally takes over half our tobacco exports, will be a key factor. Recent negotiations set the duty limit by the EC on our flue-

Foreign-grown cigar leaf tobacco: U.S. imports and stocks, 1972-75

(Farm-sales weight)

Country of origin	General imports[1]			Imports for consumption[1]			Dealers and manufacturers stocks, January 1			
	1972	1973	1974	Oct.-Sept. 1973-74	Oct.-Jan. 1973-74	Oct.-Jan. 1974-75	1972	1973	1974	1975
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
Philippines	35.6	27.6	33.0	44.4	7.7	2.9	31.6	37.3	33.5	37.7
Dominican Republic	21.3	17.2	16.8	14.0	4.7	5.0	9.2	17.1	17.9	19.2
Brazil	7.4	20.7	11.8	15.5	3.6	6.9	7.3	8.0	7.7	7.9
Colombia	12.1	16.3	11.2	6.5	2.2	2.0	6.4	7.0	10.4	11.5
Paraguay	10.4	11.4	4.9	5.4	1.5	3.2	5.6	6.9	9.0	10.9
Mexico	6.4	14.6	24.7	20.7	10.2	10.3	5.7	6.5	4.8	6.2
Indonesia	5.9	12.7	9.2	8.7	11.9	6.4	4.1	6.7	9.8	10.9
All others	26.1	40.1	68.5	44.8	13.4	11.5	13.0	16.9	19.1	20.3
Total	125.2	160.6	180.1	160.0	55.2	48.2	82.9	106.4	112.3	124.6

[1] Includes scrap tobacco from some countries that may be used in cigarette manufacture.

cured and burley tobaccos at about 20 cents per pound (it could have reached 32 cents). The U.S. is expected to seek further modifications of the EC tobacco duties and tax structure.

Table 21—Cash receipts from farm marketings and tobacco, 1965-74 with percentages

Period	Cash receipts				Tobacco as a percentage of—	
	Livestock and products	All crops	Total farm	Tobacco	All crops	Total cash receipts
	Million dollars	*Million dollars*	*Million dollars*	*Million dollars*	*Percent*	*Percent*
1965	21,845	17,250	39,095	1,186	6.9	3.0
1966	24,921	18,373	43,294	1,211	6.6	2.8
1967	24,259	18,434	42,693	1,391	7.5	3.3
1968	25,539	18,846	44,386	1,173	6.2	2.6
1969	28,439	18,790	47,229	1,296	6.9	2.7
1970	29,543	20,911	50,454	1,388	6.6	2.8
1971	30,560	22,245	52,805	1,328	6.0	2.5
1972	35,596	25,075	60,671	1,442	5.8	2.4
1973	45,277	38,172	83,449	1,592	4.2	1.9
1974[1]	42,327	52,677	95,004	2,077	3.9	2.2

[1] Preliminary.

Table 22— Expenditures for tobacco products, and disposable personal income, 1964-74

Year	Total	Cigarettes	Cigars	Other[1]	Disposable personal income[2]	Percent of disposable personal income			
						All products	Spent on tobacco products		
							Cigarettes	Cigar	Other[1]
	Million dollars	*Million dollars*	*Million dollars*	*Million dollars*	*Billion dollars*	*Percent*	*Percent*	*Percent*	*Percent*
1965	8,651	7,609	734	308	473	1.83	1.61	.16	.06
1966	9,140	8,113	718	309	512	1.79	1.59	.14	.06
1967	9,582	8,572	706	304	546	1.76	1.57	.13	.06
1968	10,112	9,094	703	315	591	1.71	1.54	.12	.05
1969	10,444	9,404	701	339	634	1.65	1.49	.11	.05
1970	11,544	10,448	707	389	692	1.67	1.51	.10	.06
1971	12,155	11,040	700	415	746	1.63	1.48	.09	.06
1972	12,910	11,765	720	425	802	1.61	1.47	.09	.05
1973[3]	13,485	12,325	730	430	904	1.49	1.36	.08	.05
1974[4]	14,450	13,270	705	745	980	1.47	1.35	.07	.05

[1] Smoking tobacco, chewing tobacco, and snuff. [2] Compiled from reports of Department of Commerce, Bureau of Economic Analysis. [3] Subject to revision. [4] Preliminary.

Table 23—Governmental revenues from tobacco products, 1965-74

Year	Federal Government				State and local Governments		All governments
	Cigarettes[1]	Cigars[2]	Manufactured tobacco[3]	Total[4]	State	Local[5]	
	Million dollars	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*
1965	2,014	58	16	2,090	1,482	103	3,675
1966	1,993	56	(3)	2,051	1,633	111	3,795
1967	2,111	56	(3)	2,169	1,760	109	4,038
1968	2,086	54	(3)	2,142	2,067	99	4,308
1969	2,020	56	(3)	2,077	2,186	113	4,376
1970	2,113	55	(3)	2,170	2,458	134	4,762
1971	2,098	54	(3)	2,154	2,637	154	4,945
1972	2,151	53	(3)	2,195	2,951	179	5,321
1973	2,404	53	(3)	2,460	3,126	190	5,750
1974[5]	2,300	50	(3)	2,350	3,280	200	5,830

[1] Includes large cigarettes. [2] Includes small cigars and revenue on cigars from Puerto Rico covered into the Treasury of Puerto Rico. [3] Federal excise tax on chewing tobacco, smoking tobacco, and snuff repealed effective January 1,1966. [4] Includes cigarette paper and tubes, and imported cigarettes and cigars. [5] Estimated.

Compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 24.--Marketing quota referendums, by kinds of tobacco

Kind (type numbers in parentheses) and basis of quotas 1/	Last referendum				Next referendum	
	Date	Crops to which applicable	Number voting	Percentage voting in favor of quota 2/	Probable date 3/	Crops to which applicable
Flue-cured (11-14) Acreage-poundage	July 17, 1973	1974-76	100,466	98.5	Dec. 1976	1977-79
Burley (31) Poundage	Feb. 25-Mar. 1, 1974	1974-76	289,829	98.3	Feb. 1977	1977-79
Maryland (32)	Feb. 25-Mar. 1, 1974	1974-76	5,442	25.5	Feb. 1977 4/	1977-79
Fire-cured (21-23)	Feb. 19-23, 1973	1973-75	10,504	93.2	Feb. 1976	1976-78
Dark air-cured (35-36)	Feb. 19-23, 1973	1973-75	10,901	93.7	Feb. 1976	1976-78
Va. sun-cured (37)	Feb. 25-Mar. 1, 1974	1974-76	479	93.8	Feb. 1977	1977-79
Pa. filler (41)	Feb. 25-Mar. 1, 1974	1974-76	890	14.8	Feb. 1977 4/	1977-79
Cigar binder (51-52)	Feb. 24-28, 1975	1975-77	189	96.8	Feb. 1978	1978-80
Cigar filler and binder (42-44, 53-55)	Feb. 24-28, 1975	1975-77	3,526	86.6	Feb. 1978	1978-80

1/ Quotas based on acreage allotments unless otherwise specified. 2/ A majority of two-thirds or more of farmers voting is required for marketing quotas to become effective under the acreage allotment program or acreage-poundage program. 3/ Probable month, but referendums can occur earlier if warranted by pertinent considerations. 4/ Unless at least a fourth of the growers petition the Secretary in the interim.

Table 25.--United States exports of unmanufactured tobacco by types, to principal importing countries, crop years, 1973/74-1974/75 1/

(Declared weight)

Importing countries	1973-1974	Part year through January 2/		Importing countries	1973-1974	Part year through January 2/	
		1973-1974	1974-1975			1973-1974	1974-1975
	Million pounds				Thousand pounds		
	Flue-cured, types 11-14				Ea. fire and sun-cured, types 21, 37		
United Kingdom	91.1	70.8	53.3	Switzerland	254	185	561
West Germany	75.8	39.5	33.4	Norway	1,149	936	535
Japan	61.7	58.2	66.8	Sweden	121	242	508
Netherlands	17.0	10.3	8.0	West Germany	964	298	79
Thailand	23.8	6.1	0	Other countries	1,790	598	252
Australia	14.2	8.9	7.4				
Italy	13.5	3.7	8.5	Total	4,278	2,044	1,935
Sweden	8.1	7.2	5.8				
Norway	4.3	3.2	1.7				
Denmark	13.8	13.3	7.0		One Sucker, type 35		
Ireland	6.8	3.5	4.6				
Belgium	10.7	5.8	5.2	Cameroon	343	0	0
Switzerland	10.7	6.9	2.5	Belgium	217	0	11
South Vietnam	10.2	2.2	4.0	Zaire (Congo, Kinshasa)	102	0	36
Philippine Republic	6.6	3.5	2.1	Other countries	31	7	0
Spain	5.7	.1	2.1	Total	693	7	47
Malaysia	9.3	4.5	5.1				
Taiwan	20.7	3.4	10.4				
New Zealand	4.3	2.3	1.4		Green River, type 36		
Other countries	40.7	22.6	47.8				
Total	449.0	276.0	275.0	United Kingdom	108	0	0
				Zaire (Congo, Kinshasa)	74	0	30
				Other countries	2	0	0
	Burley, type 31			Total	184	0	30
Italy	10.4	.4	0				
Sweden	2.6	1.9	1.3		Cigar Filler, types 41-44		
Denmark	3.0	.9	1.1				
Netherlands	4.1	1.5	.9	New Zealand	305	49	19
Japan	6.3	0	0	France	300	90	45
West Germany	14.7	2.3	.2	Other countries	73	11	0
Switzerland	3.8	1.4	.4	Total	678	150	64
Syria	2.3	0	0				
Thailand	3.1	0	0				
Philippine Republic	7.0	2.3	.3		Conn. Binder, types 51-52		
Other countries	10.0	4.5	3.3				
Total	67.3	15.2	7.5	West Germany	29	7	0
				United Kingdom	21	0	36
				Canada	17	9	46
	Maryland, type 32			Other countries	20	20	49
				Total	87	36	131
Belgium	.8	0	.8				
West Germany	2.3	.7	*				
Switzerland	4.3	1.4	2.3		Wis. Binder, types 54-55		
Other countries	1.2	.1	.1				
				West Germany	2	0	0
Total	8.6	2.2	3.5	Other countries	0	0	0
				Total	2	0	0
	Ky.-Tenn. fire-cured, types 22-23						
Sweden	.3	.3	.5		Cigar Wrapper, types 61-62		
Netherlands	12.8	3.7	1.4				
Belgium	.8	.4	.4	United Kingdom	549	249	597
France	1.7	0	.2	West Germany	482	161	18
Switzerland	1.6	1.1	.7	Canada	312	215	145
Other countries	2.6	1.3	.7	Dominican Republic	267	44	663
				Canary Islands	160	132	21
Total	19.8	6.8	3.9	Other countries	357	152	216
				Total	2,127	953	1,660
	Stems, Trimmings, and Scrap						
					Black Fat		
Sweden	4.4	2.2	1.1				
Denmark	7.1	7.1	2.5	Dahomey	1,482	509	711
United Kingdom	23.6	17.7	15.1	Cameroon	483	243	154
West Germany	8.9	3.9	2.7	Niger	326	72	148
Japan	20.7	17.9	22.1	Nigeria	131	0	138
Other countries	39.1	17.8	26.7	Togo	241	83	129
				Other countries	83	38	50
Total	101.8	66.6	70.2	Total	2,746	945	1,330

1/ July-June crop year for flue-cured, cigar wrapper, stems, trimmings, and scrap; October-September for all other types. 2/ Subject to revision. Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.

Title	Issue
SPECIAL ARTICLES	
Flue-cured Tobacco Processing Capacity	March
Flue-cured Tobacco Harvest Costs and Labor Needs in 1974	June
Government Activities Relating to Smoking and Health, 1964-74	June
Flue-cured Tobacco Production Cost and Prices, 1972-74	September
TABLES	
TOBACCO PRODUCTS	
Cigarettes: Output removals, consumption	Each issue
Production of filter and nonfilter	March, September
Tobacco used in cigarettes	September
Cigars: Output, removals, consumption	Each issue
Removals by revenue class groups	March, September
Smoking Tobacco: Output, removals, consumption	Each issue
Other Products (Chewing Tobacco, Snuff, Small cigars): Output	Each issue
Consumer expenditures	March, September
Demand Factors; per capita consumption	March, September
Government revenues (taxes)	March, September
Manufacturing corporations, sales, income	June
U.S. EXPORTS AND IMPORTS	
Exports, Cigarettes: By leading destinations	Each issue
Exports, Unmanufactured leaf: By principal types and origins	Each issue
Government program and commercial	March, September
Barter, by leading destinations	March, September
Bulk smoking tobacco by leading destinations	March, September, December
Flue-cured: Percentage stemmed form	September
Imports, Unmanufactured Leaf: By principal types and origins	Each issue
Cigar Tobacco: U.S. imports and stocks by principal origins	Each issue
TOBACCO LEAF SITUATION AND OUTLOOK	
Acreage, yield per acre, production, beginning stocks, supply disappearance, average price, and price support operations	
Total tobacco, United States and Puerto Rico	December
Types of tobacco	
Flue-cured and burley	Each issue
Maryland	Each issue
Fire-cured, dark air-cured	Each issue
Cigar	Each issue
Stocks and stocks-utilization ratios	September
Allotments and price support program	
Acreage allotted and underproduction (flue-cured)	March
Beginning stocks: Trade and under loan	Each issue
Commodity Credit Corporation expenditures	September
Cigar leaf price support operations	September
Computations for price support level adjustment factor	March
Lease and transfer of allotments	September
Loan receipts by belt (flue-cured)	December
Loan stocks	Each issue
Marketing quota referendums	Each issue
Number and average size of allotments	September
Quotas, marketings and carryover: Flue-cured and burley	Each issue
Harvest, sale, and cash receipts	
Burley price spreads by grades	March
Burley sales and average prices by states	March
Flue-cured sales prices and loan placements by belts	September, December
Flue-cured harvest completion by weeks	June
Marketings by belt and interbelt and interstate	June
Cash farm receipts: Tobacco and total	March
Cash farm receipts: Tobacco and total by states	June
Prospective plantings and projected production	March, June
FOREIGN TOBACCO PRODUCTION AND TRADE	
EC Tobacco imports by major suppliers	June, September
United Kingdom: Imports, stocks, clearances, and exports	Each issue
World tobacco imports and exports by specified countries and U.S. share	June
World tobacco production, and U.S. share	June
World tobacco production, specified countries	June, December
STATISTICAL SUMMARY	Each issue

Item	Unit or base period	1974 Jan.	1974 Feb.	1974-75 Dec.	1974-75 Jan.	1974-75 Feb.	Last data as percentage of a year earlier
Average price at auctions							
Flue-cured	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Burley	Ct. per lb.	91.7	78.3	117.4	107.0	88.5	113
Maryland	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Virginia fire-cured	Ct. per lb.	76.5	73.4	83.5	80.5	62.5	85
Ky.-Tenn. fire-cured	Ct. per lb.	72.7	69.9	Closed	95.7	90.6	130
Ky.-Tenn. dark air-cured	Ct. per lb.	61.3	Closed	79.4	76.0	Closed	124
Virginia sun-cured	Ct. per lb.	72.3	Closed	80.5	85.0	Closed	118
Support price 1/							
Flue-cured	Ct. per lb.	83.3			*93.2		112
Burley	Ct. per lb.	85.8			*96.1		112
Maryland	Ct. per lb.	No support			No support		---
Virginia fire-cured	Ct. per lb.	58.2			*65.2		112
Ky.-Tenn. fire-cured	Ct. per lb.	58.2			*65.2		112
Ky.-Tenn. dark air-cured	Ct. per lb.	51.8			*58.0		112
Virginia sun-cured	Ct. per lb.	51.8			*58.0		112
Connecticut Valley cigar binder	Ct. per lb.	59.4			*66.5		112
Wis. binder and Ohio filler	Ct. per lb.	42.9			*48.0		112
Puerto Rican filler	Ct. per lb.	44.6			*49.9		112
Parity index 2/	1910-14=100	542	549	616	617	615	112
Industrial production index 3/	1967=100	125.4	124.6	117.7	113.7	110.3	89
Employment 3/	Mil.	85.8	85.9	85.2	84.6	84.0	98
Personal income 4/	Bil. dol.	1,107.0	1,113.4	1,191.0	1,191.1	1,194.0	107
		1973-74 Dec.	1973-74 Jan.	1974-75 Nov.	1974-75 Dec.	1974-75 Jan.	
Taxable removals							
Cigarettes	Bil.	40.0	53.2	44.1	38.5		96
Cigars and cigarillos	Mil.	443.0	489.8	520.6	390.6		88
Accumulated from Jan. 1							
Cigarettes	Bil.	590.3		537.7	576.2		98
Cigars and cigarillos	Mil.	6,893.3		5,882.5	6,273.1		91
Invoiced to domestic customers							
Accumulated from Jan. 1							
Smoking tobacco	Mil. lb.	51.7			49.0		95
Chewing tobacco	Mil. lb.	74.5			78.1		105
Snuff	Mil. lb.	25.5			24.5		96
Tax-exempt removals							
Cigarettes	Bil.	4.4	4.8	4.2	4.5		91
Exports	Bil.	3.0	2.9	3.1	4.3	3.5	121
Cigars and cigarillos	Mil.	8.2	10.1	10.0	9.4		87
Accumulated from Jan. 1							
Cigarettes	Bil.	55.9		54.8	59.3		106
Exports	Bil.	41.5		42.6	46.9		113
Cigars and cigarillos	Mil.	142.7		129.5	137.7		96
Invoiced for export							
Accumulated from Jan. 1							
Smoking tobacco	Mil. lb.	1.5			1.0		67
Chewing tobacco	Mil. lb.	.1			.1		100
Wholesale price indexes 5/							
Cigarettes (reg. nonfilter)	1967=100	126.3	126.3	153.9	153.9	153.9	122
Cigars	1967=100	115.5	115.5	120.1	120.6	122.0	106
Smoking tobacco	1967=100	124.0	124.0	135.9	140.1	146.9	118
Plug chewing tobacco	1967=100	128.8	128.8	136.2	142.2	142.2	111
Snuff	1967=100	153.4	153.4	161.9	167.5	170.6	111
Consumer price indexes (urban) 6/							
Cigarettes (reg. nonfilter)	1967=100	140.1	140.3	150.8	152.8	154.2	110
Cigarettes (filter tip king)	1967=100	140.5	140.8	151.5	153.7	154.9	110
Cigars (domestic reg. size)	1967=100	115.3	116.1	122.0	121.9	122.1	105
Imports of tobacco							
Cigarette leaf	Mil. lb.	13.1	6.7	13.6	15.4	25.4	379
Cigar tobacco 7/	Mil. lb.	15.3	5.6	12.2	13.5	11.1	198
Accumulated from Jan. 1							
Cigarette leaf	Mil. lb.	174.1			187.9		108
Cigar tobacco 7/	Mil. lb.	140.1			157.7		113

See footnotes at end of table.

Continued -

Item	Unit or base period	1973-74 Dec.	1973-74 Jan.	1974-75 Nov.	1974-75 Dec.	1974-75 Jan.	Last data as percentage of a year earlier
Exports of leaf tobacco (farm-sales weight)							
Flue-cured	Mil. lb.	54.2	52.6	71.0	69.8	59.8	114
Burley	Mil. lb.	4.2	2.8	3.6	1.5	1.3	46
Maryland	Mil. lb.	.9	.4	2.6	.3	.1	18
Virginia fire- & sun-cured	Mil. lb.	.5	.3	1.4	.8	**	11
Ky.-Tenn. fire-cured	Mil. lb.	1.6	1.6	1.8	.9	.6	39
Ky.-Tenn. dark air-cured	Mil. lb.	0	0	0	0	0	---
Black Fat	Mil. lb.	.3	.2	**	.4	.5	169
Cigar wrapper	Mil. lb.	.1	.3	.2	.6	.2	93
Connecticut binder	Mil. lb.	0	**	**	0	.1	435
Wisconsin binder	Mil. lb.	0	0	0	0	0	---
Accumulated from beginning of marketing year 8/							
Flue-cured	Mil. lb.	322.4	375.0	238.4	308.3	368.0	98
Burley	Mil. lb.	17.4	20.2	7.3	8.8	10.1	50
Maryland	Mil. lb.	2.5	3.0	4.2	4.5	4.6	155
Virginia fire- & sun-cured	Mil. lb.	2.2	2.5	1.5	2.3	2.4	95
Ky.-Tenn. fire-cured	Mil. lb.	5.9	7.5	2.8	3.7	4.3	57
Ky.-Tenn. dark air-cured	Mil. lb.	**	**	**	**	**	---
Black Fat	Mil. lb.	.7	.9	.4	.8	.9	141
Cigar wrapper	Mil. lb.	.8	1.1	1.0	1.6	1.9	174
Connecticut binder	Mil. lb.	**	**	.1	.1	.1	264
Wisconsin binder	Mil. lb.	0	0	0	0	0	---
Cigar filler	Mil. lb.	.1	.2	.1	.1	.1	43
Exports of manufactured tobacco in bulk	Mil. lb.	2.9	2.5	5.3	1.9	6.1	244
Accumulated from Jan. 1	Mil. lb.	25.9		36.6	38.5		149

		Quarterly data					
		1973-74		1974-75			
		Oct.-Dec.	Jan.-Mar.	Oct.-Dec.		Jan.-Mar.	
Stocks of tobacco--1st of quarter 9/							
Domestic types (farm-sales weight)							
Flue-cured	Mil. lb.	2,112	2,232	2,156		2,222	100
Burley	Mil. lb.	1,229	1,354	1,071		1,311	97
Maryland	Mil. lb.	53	44	62		52	118
Fire-cured	Mil. lb.	65	54	52		48	89
Dark air- and sun-cured	Mil. lb.	48	47	40		38	81
Cigar filler	Mil. lb.	70	58	63		52	90
Cigar binder	Mil. lb.	46	42	43		39	93
Cigar wrapper	Mil. lb.	18	18	16		19	106
Under Government loan 10/	Mil. lb.	643	599	428		284	47
Tobacco sheet 11/							
Cigarette types	Mil. lb.	23.5	22.6	24.0		20.6	91
Cigar types	Mil. lb.	1.5	1.6	1.1		1.3	81
Foreign types (farm-sales weight)							
Cigarette and smoking	Mil. lb.	434	442	493		548	124
Cigar	Mil. lb.	115	112	126		125	112
Tobacco outlets 12/							
Seasonally adjusted data, annual rates, for charts, p.2							
Cigarettes							
Production	Bil.	684.0	667.6	629.2		661.0	99
Taxable removals	Bil.	637.2	608.8	574.6		600.0	99
Large cigar production	Bil.	7.17	6.69	6.70		6.5	98
Smoking production	Mil. lb.	51.1	52.6	48.0		50.0	95
Chewing production							
Loose leaf	Mil. lb.	46.5	50.2	57.0		52.5	105
Plug and other	Mil. lb.	25.2	25.8	27.0		26.0	101
Snuff production	Mil. lb.	25.3	24.1	25.5		25.0	104
Exports of leaf							
Total	Mil. lb.	705.3	862.2	728.9		860	100
Flue-cured	Mil. lb.	593.9	782.0	625.7		780	100

1/1974 and 1975 crops respectively. 2/Prices paid by farmers including interest, taxes, and wage rates. 3/Seasonally adjusted. 4/Seasonally adjusted, annual rate. 5/Excise tax excluded. 6/Federal and applicable State and local taxes included. 7/Farm-sales weight equivalent. 8/July 1 for flue-cured and cigar wrapper and October 1 for others. 9/Holdings of manufacturers and dealers including grower cooperatives. 10/Reported by grower cooperatives. 11/Weight of tobacco leaf not including stems added. 12/Data for most recent quarter are preliminary estimates. *Estimated. **Less than 50,000 pounds.

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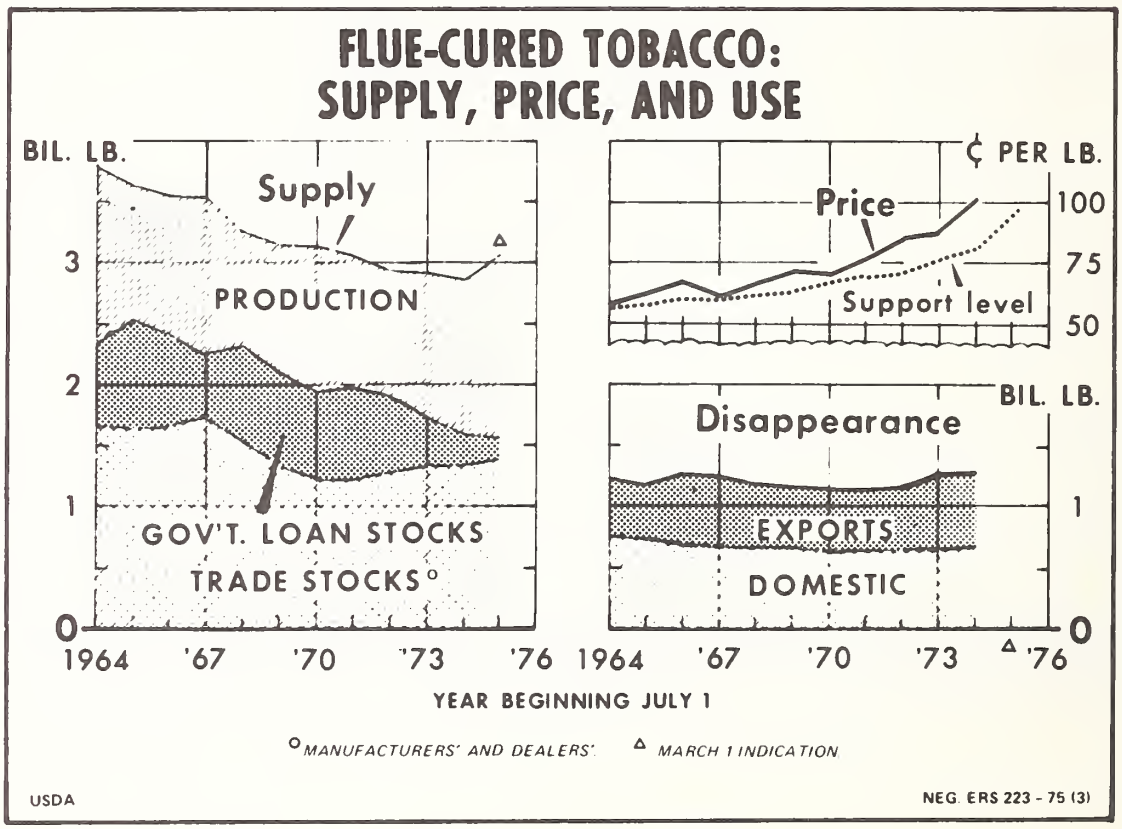
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